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No. _____, OFFICE OF THE CLERK

**In the
Supreme Court of the United States**

HARTCO ENGINEERING, INC.,

Petitioner,

v.

WANG'S INTERNATIONAL, INC., PILOT AUTOMOTIVE, INC.,
PEP BOYS - MANNY, MOE & JACK, INC.,
AND OVERTON'S, INC.

Respondents.

**On Petition for a Writ of Certiorari to the
United States Court of Appeals for the Federal Circuit**

PETITION FOR WRIT OF CERTIORARI

JACK M. ALLTMONT

Counsel of Record

SESSIONS, FISHMAN & NATHAN, LLP

201 ST. CHARLES AVENUE

SUITE 3500

NEW ORLEANS, LA 70170

(504) 582-1500

Counsel for Petitioner

QUESTIONS PRESENTED

(1) Will this Court allow the Federal Circuit to effectively supplant this Court's *Gorham* rule that:

[I]f, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

with the Federal Circuit's own contrary rule that "design patent protection is very narrow"¹ and "design patents have almost no scope?"² *Gorham Mfg. Co. v. White*, 81 U.S. 511 at 528, 530 (1871).

(2) Should the verbal claim-construction procedure required in *Markman v. Westview Instruments*, 517 U.S. 370 (1996), for utility patents also be required for design patents where the sole claim is the "general [visual] appearance and effect"³ shown in the patent drawings?

(3) Does the Federal Circuit's policy of reserving exclusively to itself the fact finding as to what constitutes substantial sameness in the eye of the ordinary observer violate plaintiff's Seventh Amendment right to trial by jury?

¹ *Hartco Engineering, Inc. v. Wang's International, Inc.*, 04-1480 et seq. (Fed. Cir. 7/25/05).

² *E.g., In Re Mann*, 861 F.2d 1581, 1582 (Fed. Cir. 1988).

³ *Gorham* at 531.

RULE 14.1(b) STATEMENT

A list of all parties to the proceeding in the Court whose judgment is the subject of this petition is as follows:

Plaintiff-Petitioner: Hartco Engineering, Inc.

Defendants-Respondents: Wang's International, Inc.
Pilot Automotive, Inc.
The Pep Boys - Manny,
Moe and Jack
Overton's, Inc.

RULE 29.6 STATEMENT

Petitioner, Hartco Engineering, Inc., is solely owned and operated by Carol and Cary Harwood. It has no parent corporation and no publicly-held company owns any of its stock.

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PETITION FOR WRIT OF CERTIORARI

Petitioner, Hartco Engineering, Inc. ("Hartco"), respectfully petitions for a writ of *certiorari* to review the judgment in this case of the United States Court of Appeals for the Federal Circuit.

OPINIONS BELOW

The opinion of the Court of Appeals (App. B) is reported at 142 Fed.Appx. 455 (Fed.Cir. Jul 25, 2005). The opinions of the District (App. E and F) are reported at 2004 WL 3403371 (E.D. La. 2004) and 2004 WL 3403370 (E.D. La. 2004).

JURISDICTION

The judgment of the Court of Appeals was entered on July 25, 2005, and the Court of Appeals denied respondent's rehearing petition on August 29, 2005.

This Court's jurisdiction is invoked under 28 U.S.C. § 1254(1).

The District Court was vested with original jurisdiction as to the patent infringement claims under 28 U.S.C. § 1338, 35 U.S.C. § 281.

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOKED

The Seventh Amendment of the United States Constitution provides:

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

35 U.S.C. § 171 provides:

Whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title.

The provisions of this title relating to patents for inventions shall apply to patents for designs, except as otherwise provided.

37 C.F.R. § 1.153(a) provides:

(a) The title of the design must designate the particular article. No description, other than a reference to the drawing, is ordinarily required. The claim shall be in formal terms to the ornamental design for the article (specifying name) as shown, or as shown and described. More than one claim is neither required nor permitted.

STATEMENT OF THE CASE

A. Importance of the Issue Presented

The Federal Circuit's decision herein conflicts with this Court's decision in *Gorham Mfg. Co. v. White*, *supra*, on an important question of federal patent law. Moreover, the Federal Circuit's decision in this and similar cases violates the Seventh Amendment right of trial by jury in design patent cases.

Design patents have been statutorily protected by United States law since 1842. In 1871, in *Gorham Mfg. Co. v. White*, this Court explained that the patent law protects designs against not only literal copying, but also against colorable imitations, *i.e.*, products which mimic the "general appearance of the [patented] design [but with] minor differences of detail [so that] the two design are substantially the same ... such as to deceive the [ordinary] observer, inducing him to purchase one supposing it to be the other."

Design patents are today extremely important items of intellectual property to tens of thousands of design patent holders.

Federal Circuit decisions culminating in the case at bar have virtually stripped design patents of the protection previously afforded by Congress and by this Court's *Gorham* decision. In effect, current Federal Circuit decisions and policy protect design patents only in the very rare case of literal infringement and allow piracy of design patents provided the copier makes a minor colorable change although that change is unnoticed and of no significance to the ordinary observer. This is absolutely contrary to the *Gorham* rule.

Particularly given the rampant proliferation of both design and utility patent infringement in today's worldwide marketplace, it is vital that this Court step in and provide to design patent holders the protection intended by Congress and by this Court in *Gorham*.

B. Factual Background

In 1996, Cary Harwood ("Harwood") conceived and designed the propeller hitchcover - - a decorative novelty device. When attached to the trailer hitch of an automobile, truck, or SUV, the force of moving air when the vehicle is in motion will cause the device to spin, simulating the motion of a propeller. The device has no function other than as a novelty decoration.

Harwood obtained a design patent in 1998⁴ and assigned the patent to Hartco Engineering ("Hartco"), a company owned and operated exclusively by Harwood and his wife, Carol. Hartco marketed the device through various distributors, mass retailers and its own website. Sales grew from 765 units in 1996 to 11,889 units in 1997 to 37,159 units in 1998. (Plt. Exh. 25A). The device typically retailed for about \$20.⁵

Wang's International (together with sister company, Pilot Automotive) ("Wang's") is a major distributor of automotive accessories. In late 1998, Calvin Wang, president of Wang's,

⁴ Appendix G, Hartco patent.

⁵ Appendix H, pp. 36a, 38a, 40a, and 42a, photographs of Hartco Product.

contacted Harwood expressing interest in distributing the patented device under Wang's "BULLY" label.

During ensuing negotiations, Mr. Wang told Mr. and Mrs. Harwood that, if Hartco would not sell to Wang's at a greatly reduced price, Wang's would have the device "knocked off" in Taiwan and would sell around Hartco. (Tr. 63-65) In view of Wang's threat and Wang's economic power, Hartco agreed to sell to Wang's at a tremendously reduced price for a period of two years. (Plf. Exh. 3, Tr. 65-66) Subsequently, for two years (12/98- 12/00), Hartco supplied Wang's approximately 47,000 Hartco propeller hitchcovers packaged on a retail display sales card very similar to that already being used by Hartco but bearing Wang's "BULLY" mark, plus a green swatch and some yellow coloring requested by Mr. Wang. (Tr. 67, 70, Exhs. C and 25A)

During that time, unbeknownst to Hartco, Wang's secretly planned to "knock-off" the Hartco product. On 6/23/99, just seven months into its deal with Hartco, Wang's applied for a utility patent on what Wang's represented to be an improved version of the propeller hitchcover.

Near the end of the two-year contract, Hartco announced its intention to raise the price to Wang's to roughly equal the price charged other distributors. (Tr. 72) Wang's immediately cut off negotiations and started producing and marketing its knock-off version which is, for all practical purposes, identical to the Hartco design.⁶ (Tr. 73-75)

⁶ Appendix H, pp. 36a-42a, pictures of Hartco and Wang's products.

The only ornamental difference in the products' appearance is that the Wang's version has four blades and the Hartco version has three blades. Furthermore, the Wang's knock-off is sold in a retail display package that mimics the Hartco packaging - - attempting to convey the impression that it is either the same product or a later edition of the same product.⁷ Wang's even removed the green swatch and yellow coloring that it had required Hartco add to the Hartco/Wang's card.

Exh. E⁸ is a different manufacturer's product illustrating how Wang's could have significantly differentiated the appearance of its product and packaging, but intentionally chose not to do so.

Commencing in December 2000, Wang's started marketing its knock-off. By the time of trial, Wang's had virtually taken the market away from Hartco. (Exhs. 25A and 10, Tr. 75-91) In large measure, Wang's did so by directly taking away Hartco customers. (Tr. 172-176, 182)

C. The Litigation to Date

Hartco delivered to Wang's a cease and desist demand in January, 2001, shortly after learning of the infringement. Wang's refused to comply.

Thereafter, Hartco filed suit for patent and trade dress infringement in the United States District, Eastern District of

⁷ Appendix H, pp. 36a and 37a, pictures of Hartco and Wang's products in their retail display packages.

⁸ See Appendix H, pp. 43a and 44a.

Louisiana.⁹ The matter was tried before a civil jury, Judge Ivan Lemelle presiding, on March 22-24, 2004. The jury returned its verdict in favor of Hartco and against Wang's finding intentional¹⁰ patent infringement, intentional trade dress infringement and awarded monetary damages. Judge Lemelle denied defendants' post-trial motions for judgment as a matter of law or alternatively a new trial, and entered judgment in accordance with the jury verdict for monetary damages, enhanced damages, attorneys' fees and injunctive relief.

Wang's filed an appeal to the Federal Circuit. Hartco filed a cross-appeal to increase the monetary award.

On July 25, 2005, the Federal Circuit entered a judgment reversing the judgment below as to design-patent infringement and as to trade dress infringement on product design, and affirming as to trade dress infringement on the product packaging. Additionally the Federal Circuit vacated the monetary award, dismissed the cross appeal and remanded for further proceedings to determine the appropriate damage award for packaging trade dress infringement.

⁹ Hartco sued Wang's and its sister company, Pilot. Hartco also sued two of Wang's customers to whom Wang's sold large quantities of the accused device. All defendants are hereinafter referred to as "Wang's."

¹⁰ The jury found *intentional* infringement despite the trial court having excluded Plaintiff Proffer #1, evidence of Wang's being a serial infringer having admitted or being found liable for infringement on at least four prior occasions.

Wang's filed a petition for rehearing. By order dated August 29, 2005, the Federal Circuit denied Wang's petition for rehearing and issued its mandate in that regard on September 6, 2005.

Hartco filed this timely writ application seeking review of the Federal Circuit's rulings.

REASONS FOR GRANTING THE WRIT

A. Summary of Argument

Federal Circuit decisions culminating with this case have eroded to virtual nonexistence the legal protection of design patents. In addition, the Federal Circuit decisions violate plaintiffs' Seventh Amendment right to trial by jury by effectively reserving to the Federal Circuit the fact finding of what constitutes "substantial sameness" or "equivalence."

While continuing to cite *Gorham Mfg. Co. v. White* as the governing rule, the Federal Circuit does not protect design patents except in the rare case of literal infringement. The circuit's current jurisprudence allows design-patent pirates to escape by making colorable changes clearly insignificant to *Gorham's* ordinary observer. When, having been given stringent *Markman* instructions, a jury finds substantial sameness or equivalence under *Gorham*, the Federal Circuit reverses by simply saying that no reasonable jury could so find. In other words, the Federal Circuit flatly substitutes its factual view of equivalence for that of the jury. Thus, the design-patent plaintiff is effectively deprived of his constitutional right to trial by jury.

Particularly in an era of rampant worldwide intellectual property theft, this Court must step in.

B. Federal Circuit Decisions Since 1988, Culminating With Hartco v. Wang's, Has Gutted the Meaningful Legal Protection That Congress and Gorham Mfg. Co. v. White Had Previously Afforded Design Patents.

In 1842, Congress made patent protection available to "any new and original design for a manufacture... or any new and original shape or configuration of any article of manufacture...."

In Gorham Mfg. Co. v. White, 81 U.S. 511 (1871), this Court explained the rationale and scope of that patent protection as follows:

The purpose of the law must be effected if possible; but, plainly, it cannot be if, while the general appearance of the design is preserved, minor differences of detail in the manner in which the appearance is produced, observable by experts, but not noticed by ordinary observers, by those who buy and use, are sufficient to relieve an imitating design from condemnation as an infringement.

We hold, therefore, that if, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.¹¹

Gorham involved infringement of a patented silverware design. The lower court held no infringement since

¹¹ Gorham at 528.

differences between that patented and accused designs were clear to the *expert* eye. This Court reversed, holding that the issue is substantial sameness “in general appearance and effect”¹² in the eye of the “ordinary observer” ... “giving such attention as a purchaser usually gives” such a matter. “Some diversities in [the] ornament, which are discoverable when attention is called to them”¹³ does not save the accused device from being an infringement. As further elaborated by the Court: Is the accused device truly “a distinct device... in general appearance and effect” or is it “a colorable evasion of the prior patent, amounting at most to a mere equivalent?”¹⁴

In Graver Tank & Mfg. Co. v. Linde Air Products Co., 339 U.S. 605, 607 (1950), this Court re-emphasized the importance of the substantial-sameness or equivalence concept stating:

One who seeks to pirate an invention, like one who seeks to pirate a copyrighted book or play, may be expected to introduce minor variations to conceal or shelter the piracy. Outright and forthright duplication is a dull and very rare type of infringement.¹⁵

While continuing to cite *Gorham* as the governing rule of law, the Federal Circuit in a series of decisions over the last

¹² Gorham at 530.

¹³ Gorham at 529.

¹⁴ Gorham at 530-31.

¹⁵ Continued viability of the equivalence rule was underscored in Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co., 520 U.S. 17 (1997).

seventeen years has in reality abandoned *Gorham* and institutionalized its own contrary rule that design patents are "very narrow" and have "almost no scope." While still paying lip service to *Gorham*, the Federal Circuit has effectively created a rule that only literal copying constitutes infringement of a design patent. Rather than protect design patents from obvious copycats, current Federal Circuit jurisprudence condones design piracy so long as the accused design introduces some colorable distinction even if, in the eye of the ordinary observer, the "general appearance and effect" of the accused design is the same as the patented design.

The circuit court's abandonment of the *Gorham* rule appears to have begun with *In re Mann*, 861 F.2d 1581 (1988).¹⁶ In *Mann*, the Board of Patent Appeals had rejected a design patent for a table on the basis of prior public use, *i.e.*, display at a trade show. Affirming, the Federal Circuit stated:

Obtaining the reactions of people to a design - whether or not they like it - is not "experimentation" in that sense. In the case of a design, if market testing shows that it has no appeal and the design is *changed*, the result is a new and different design; the original design remains just what it was. Design patents have almost no scope. The claim at bar, as in all design cases, is limited to what is shown in the application drawings.¹⁷

¹⁶ *In re Mann* at 1582.

¹⁷ 861 F.2d at 1581.

Without any analysis as to the applicability or accuracy of the *Mann* “almost no scope” language in a patent *infringement* setting, that language has become a constant in all subsequent Federal Circuit design patent decisions and has been duly followed by the district courts bound by the Federal Circuit’s nationwide-patent jurisdiction.

In fact, the *Mann* language is not a correct statement of law as to patent infringement. The *Mann* language only states what constitutes literal patent infringement. A design patent, like all patents, is literally limited to the claim(s) made in the patent. In a utility patent, the claims are expressed in words. In a design patent, the claim is “what is shown in the applicable drawings.” But as to both utility patents and design patents, the law protects patents against not just literal infringement but also equivalents or colorable imitations. That is this Court’s express holding in *Gorham*, *Graver* and *Warner-Jenkinson*. Omission of the equivalence or colorable imitation aspect of the law was of no consequence in the non-infringement context of the *Mann* case. But subsequent unexamined use of that language in infringement cases has served to emasculate the *Gorham* rule.

In recent years, virtually no design patents have been found infringed under the *In re Mann* dogma.

In 1996, this Court in *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996), affirmed the Federal Circuit’s decision requiring that courts interpret as a matter of law the meaning and scope of utility patent claims before applying the test for infringement. *Markman*, which solely involved utility patents, essentially required that the courts distill into understandable verbal form the legal essence of the claims contained in the often arcane and/or complex wording of utility patents.

Markman did not speak to design patents. However, in *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571 (Fed. Cir. 1995), the Federal Circuit improvidently and without any analysis extended *Markman* to design patents by stating:

Determining whether a design patent claim has been infringed requires, first, as with utility patents, that the claim be properly construed to determine its meaning and scope. [citing *Markman*] Second, the claim as properly construed must be compared to the accused design to determine whether there has been infringement.¹⁸

While *Markman* makes perfectly good sense regarding utility patents, it makes no sense when applied to design patents. Requiring judges to "interpret" design-patent drawings is contrary to this Court's functional rationale stated in *Markman*. In *Markman*, this Court stated that claim construction should be delegated to judges because "the construction of written instruments is one of those things that judges often do and are likely to do better than jurors unburdened by training in exegesis." 517 U.S. at 389. With design patents, there is no "written instrument" but merely drawings for a jury to consider for the sole question of "substantial sameness," a distinctly jury issue. As noted by a recent commentator:

Elmer created a conundrum: each design patent has but a single claim that appears in a standard format and refers to the design "as shown" in the design patent drawings. There is never language in the design patent claim itself that requires interpretation.

¹⁸ 67 F.3d at 1577.

Since it is settled law that the claimed design is manifested in the design patent drawings, the Federal Circuit found it necessary to require lower courts to render *Markman* determinations of design patents by putting into words the visual appearance of the designs shown in the patent's drawings, i.e., by verbalizing the designs. As is evident from case law to be discussed in this article, the requirement for converting visual images into words not only wastes enormous court resources, but more importantly has eviscerated the *Gorham* test that relies upon a comparison, from the perspective of the "ordinary observer," of the accused design with the design shown in the patent drawings.¹⁹

Since 1995, the *Elmer* claim construction procedure, coupled with the *Mann* "no scope" dogma, has had the effect of virtually eliminating any findings of design patent infringement either at the district court or Federal Circuit levels. Rather than comparing the accused product to the patented design through the eye of the ordinary observer to determine substantial sameness of the "general appearance and effect" as taught by *Gorham*, adherence to *Elmer* requires the district courts to recast the governing patent drawings into words - - often long presentations - - that may or may not allow the reader to accurately visualize the patented design. By adding the *Mann* "no scope" dictate, the design patent holder has not a chance.

¹⁹ P. Saidman and A. Singh, *The Death of Gorham Mfg. Co. v. White: Killing It Softly with Markman*, 86 J. Pat. & Trademark Off. Soc'y 792, 802 (2004).

Where the governing legal standard requires comparison of the “general appearance and effect” of two visual representations (i.e. the patent drawings and the accused device), words cannot best describe the actual visual things. Under the Federal Circuit rule, and contrary to human experience, a thousand words is now worth more than a picture. Such a rule makes neither good sense nor good law.

Perhaps the observation of Justice Stewart in Jacobellis v. Ohio, 378 U.S. 184, 197 (1964) (J. Stewart, concurring) is also *appropos* in the field of *design* patent infringement. Discussing pornography, Justice Stewart said that it is a “task of trying to define what may be undefinable... But I know it when I see it.” Similarly, the “general appearance and effect” of a design cannot be reliably reduced to words. But a jury can determine infringement of the “general appearance and effect” by viewing the design, the accused device and the attendant facts on a case-by-case basis.

C. The Federal Circuit Has Improperly Preempted the Jury in Design Patent Cases.

The Federal Circuit cases starting with *Mann* and *Elmer* and now culminating with Hartco v. Wang's have effectively eliminated the jury from design patent cases. Since *Elmer*, the norms at the district court level have become (1) verbalized claim construction focusing on minute details (obviously because it is impossible to verbalize the *Gorham* standard of “general appearance and effect”) and then (2) summary judgment or JMOL for the accused infringer because *verbalization* of details always yields differences.²⁰

²⁰ See, e.g.: Brooks Furniture Manufacturing v. Dutailier International, Inc., 393 F.3d 1378 (Fed. Cir. 2005);

There are, however, in the jurisprudence two cases that are notable exceptions to the norm: Black & Decker (U.S.) Inc. v. Pro-Tech Power Inc., 1998 WL 633636, 47 U.S. P.Q.2d 1843 (E.D. Va. 1998) and Hartco v. Wang's, the case at bar.

in *Black & Decker*, the court confronted the tension between verbalized claim construction and *Gorham* as follows:

The parties differ widely on what they each regard as the proper construction of the '173 design patent. ...Pro-Tech identifies thirty-seven separate visual design elements shown in the '173 design patent. ... Pro-Tech then goes on to argue that, since these thirty-seven elements are missing in Pro-Tech's allegedly infringing miter saw, liability for infringement is avoided. The importance of proper claim construction is apparent in this argument, as it is essentially an argument for summary judgment.

Minka Lighting, Inc. v. Craftmade Int'l, Inc., 2004 U.S. App. LEXIS 770 (Fed. Cir. unpubl. 2004); OddzOn Products, Inc. v. Just Toys, Inc., 122 F.3d 1396 (Fed. Cir. 1997); Alan Tracy, Inc. v. Trans Global Imports, Inc., 60 F.3d 840 (Fed. Cir. 1995) (reversing judgment of design patent infringement) Lawman Armor Corp. v. Master Lock Company, 2004 WL 440177 (E.D. Pa., 2004) (emphasizing how narrow the scope under *Mann* and its progeny); Street Flyers LLC v. Gen-X Sports, Inc., 2003 WL 21998960 (S.D.N.Y., 2003); Tropicana Products, Inc. v. Land O'Lakes, Inc., 286 F.Supp.2d 343 (D. Del 2003); Child Craft Industries, Inc. v. Simmons Juvenile Products Company, 990 F. Supp. 638 (S.D. Ind. 1998, Bench Trial).

Black & Decker urges the Court to adopt quite a different claim construction of the '173 Design Patent. Black & Decker asks the Court to find that the scope of the '173 design patent is its "overall ornamental visual impression." ...Plaintiffs further ask the Court to find that the claim of the '173 design patent must be interpreted by viewing the claimed design in its entirety. ...Black & Decker argues that ornamentality or functionality is a question of fact and should be submitted to the jury. Similarly, Black & Decker argues that both the issues of overall similarity and points of novelty should be submitted to the jury.

Noting that, by both law and rule, design patent claims are defined by the patent drawings, the *Black & Decker* court held that proper construction of a design patent is done by reference to patent drawings:

By construing the '173 design patent to include the overall ornamental visual impression as contained in the six drawings, the Court best captures this overall "visual impression."²¹

Moreover, the court logically found that both the questions of infringement and point of novelty are distinctly fact issues properly intrusted to the jury.²²

²¹ *Id.* at 1847 n.2.

²² We respectfully recommend to the Court a reading of the complete decision in *Black & Decker*.

That brings us to the case at bar. The trial court, Judge Lemelle, charged the jury with precisely the verbalized claim construction demanded by defendant Wang's, *i.e.*, "an automotive hitchcover having a propeller with three blades attached to a tongue having four circular features in the interior corners of the tongue and a fifth central circular cone feature, all visible on the end remote from the propeller."²³ But Judge Lemelle then denied Wang's motion for summary judgment holding that the question of infringement, *i.e.*, substantial sameness or equivalence, was a fact issue for the jury. The court also instructed the jury in accordance with *Gorham*. The jury found as a matter of fact that addition of the fourth propeller blade was not a "substantial" difference and that the Wang's knock-off was a colorable imitation of the Hartco patent. Without explanation, the Federal Circuit stated that no reasonable jury could so find and reversed.

Thus, the Federal Circuit has completely removed the jury from design patent cases.

D. The Federal Circuit's Decision in *Hartco v. Wang's* Clearly Belies Any Real Adherence to the *Gorham* "Overall Appearance and Effect" Rule.

Relying on a *verbalized* claim construction, the Federal Circuit's analysis in *Hartco* is as follows:

Specifically, [Hartco's] inclusion of blades, a nose, and a tongue are part of the general propeller concept and not protected ornamental aspects independent of their unique configuration. [Citation omitted.] Instead, only the number and shape of the blades, as well as

²³ Jury Charge p. AP0070.

the four circular features, are ornamental aspects, subject to patent protection.

...

Comparing the two designs, we disagree with the district court that the jury verdict of design patent infringement was supported by substantial evidence. ... [Wang's] four-blade product has a substantially different overall ornamental from the claimed three-blade product.²⁴

Responding to the Federal Circuit's analysis, Hartco makes two points:

- (1) The "four circular features" are clearly not "ornamental aspects" of the Hartco design. - - These "features" are located on the back end of the square tongue which is shoved into the trailer hitch sleeve. They are not visible when in use.²⁵ As admitted by Mr. Wang, they are merely residual markings from the plastic forming process and are not ornamental in any way.²⁶
- (2) The Wang's product absolutely copies the appearance of the Hartco ornamental design except for the addition of a fourth blade.

- - The shape and curvature of the blades are identical,

²⁴ Appendix B, pp. 9a-10a.

²⁵ Appendix G, figures 3 and 4, at pp. 32a and 33a; Appendix H, pg. 42a.

²⁶ Tr 269-271.

the size is identical. Despite Wang's utility patent specifically claiming improved spinning because of its parabolic nose cone, the Wang's product absolutely copies the Hartco flattened nose cone.²⁷

The Federal Circuit states, and we agree, that Hartco's design patent does not protect "the general propeller concept" but only the "ornamental aspects" of the Hartco design. However, we respectfully submit that, when Wang's identically copied the shape of Hartco's blades and nose cone, it is a fact issue for the jury, not the Federal Circuit, to decide whether the addition of Wang's fourth blade constitutes a "substantial" difference sufficient to avoid infringement. Moreover, the fact that blades and a nose cone are functional parts of a propeller, does not mean that Hartco is not entitled to patent protection for being the first to incorporate and patent this particular "general appearance and effect" (*i.e.*, the particular shape of blades and nose cone) into a trailer hitchcover.²⁸

This case was tried to the jury on the precise question of whether the addition of a fourth blade constituted a *substantial* difference or whether the Wang's product was a "colorable imitation" of the patented design. It was made clear to the jury that Hartco was not claiming entitlement to the propeller

²⁷ Appendix H, compare side view of Wang's product (pg. 41a) to side view of Hartco's product (pg. 40A) and to Hartco's patent drawings (pp. 31a and 34a).

²⁸ As stated in *L.A. Gear, Inc. v. Thom McAn Shoe Company*, 988 F.2d 1117, 1123 (Fed. Cir. 1993) "[w]hen there are several ways to achieve the function of an article of manufacture, the design of the article is more likely to serve a primarily ornamental purpose."

hitchcover concept but merely the particular appearance of its design. In fact, Hartco put into evidence as Exhibit "E"²⁹ a propeller hitchcover manufactured by someone else to show how Wang's could easily have manufactured a propeller hitchcover without deceiving the public into believing that Wang's product was the same as the Hartco product that had already gained market acceptance.

E. The Federal Circuit's Decision in This Case Violates Hartco's Right to a Trial by Jury

The *Gorham* decision commences with the following observation:

The sole question is one of fact.
Has there been an infringement?³⁰

In pre-*Elmer* decisions, the Federal Circuit agreed, stating "infringement of a design patent is a fact-intensive issue."³¹

In *Hilton Davis Chemical Co. v. Warner-Jenkinson Co.*, 62 F.3d 1512 (Fed. Cir. 1995), a utility patent case, the

²⁹ Appendix H, pp. 43a and 44a.

³⁰ *Gorham* at 524.

³¹ *Tone Brothers, Inc. v. Sysco Corp.*, 28 F.3d 1192, 1196 n. 2 (Fed. Cir. 1994); *Braun Inc. v. Dynamics Corp. of America*, 975 F.2d 815, 819 (Fed. Cir. 1992). (Comparison of the claim and the accused device "employing the 'ordinary observer' test and the 'point of novelty' test... is an issue of fact to be proven by a preponderance of the evidence.")

Federal Circuit affirmed continued viability of the doctrine of equivalents and the jury's role, stating in material part:

Infringement, whether literal or under the doctrine of equivalents, is a question of fact.

* * *

[I]nfringement under the doctrine of equivalents is an issue of fact to be submitted to the jury in a jury trial with proper instructions....³²

After accepting the case on a writ of certiorari, this Court affirmed the viability of the doctrine of equivalents in patent cases. The case did not require the Court to rule on the jury's role in determining whether or not equivalence existed. However, in pointed dicta, the Court clearly indicated that the jury should be the ultimate fact finder on the question of equivalents, and specifically stated that "[n]othing in our recent decision in *Markman* [citation omitted] necessitates a different result....Indeed, *Markman* cites with considerable favor, when discussing the role of judge and jury, the seminal *Winans* decision" which states that the question of substantial sameness "is a question for the jury."³³

The case at bar squarely presents the question of whether the jury has a *real* role in design patent cases.

The sole claim of a design patent is the design as shown in the drawings. Under *Gorham*, the law protects the design patent against both literal infringement and infringement by

³² 62 F.3d at 1520-1522

³³ 520 U.S. 17 at 38-39.

way of a colorable imitation which in the eyes of the ordinary observer giving such attention as the ordinary purchaser would give to such matters, the patented design and the accused device are substantially the same.

By its nature, the issue as defined in *Gorham* is exclusively and intensely factual, and it is a multi-faceted fact issue.

First, *Gorham* teaches that the entire issue is "substantial sameness" in the eye of the "ordinary observer." The attributes and the capacities of the "ordinary person" are factual matters which the law has always entrusted to the jury. Every day, our courts ask juries to decide issues of reasonable care, criminal intent, willful or gross misconduct, foreseeability, and mitigating or aggravating circumstances all from the point of view of the "ordinary person." The law entrusts to juries extremely difficult fact findings involving the complexities of science and business which, in many cases, are arguably beyond the background and human experience of lay persons. Yet, the constitutional guaranty of a trial by jury of fact issues, mandates respect for the province of the jury. Accordingly, this Court has repeatedly stated that jury verdicts may not be overturned unless patently erroneous.

In comparison to the factually-complex cases often entrusted to juries, design patent issues such as the one now at bar are factually straightforward and noncomplex. The sole claim of a design patent is the overall effect shown in the patent drawings. The question of whether the accused device appropriates that general effect in the eye of the ordinary observer is a question particularly suited to a jury of ordinary people. In a very real sense, the jury in such cases constitutes both the eyes and conscience of our community, which is in fact the purpose of the jury.

Second, as recognized by this Court in *Graver Tank* and by the Federal Circuit in *Warner-Jenkinson*, the doctrine of equivalents is principally based upon one thing -- fairness:

The Supreme Court explained in *Graver Tank* that the doctrine prevents the unfairness of depriving the patent owner of effective protection of its invention...³⁴

A jury is particularly well equipped to determine issues of fairness. Fairness is a matter that addresses itself directly to our social norms, and a jury should be the arbiter of what is fair in the eyes of our community.

Third, we note that in *Warner-Jenkinson*, the Federal Circuit addressed the importance of "evidence of copying" on the factual issue of infringement:

Evidence of copying is also relevant to infringement under the doctrine of equivalents, *see Graver Tank*, 339 U.S. at 612, 70 S.Ct. at 858, not because the doctrine of equivalents rests on the subjective awareness or motivation of the accused infringer, but rather because copying suggests that the differences between the claimed and accused products or processes -- measured objectively -- are insubstantial.³⁵

In the case at bar, the evidence that Wang's intentionally copied Hartco's design was unequivocal. Not only did

³⁴ *Warner-Jenkinson*, 62 F.3 at 1521.

³⁵ 62 F.3d at 1519.

Wang's copy the configuration and shape of Hartco's blades and nose cone, but it also slavishly copied Hartco's trade dress including both the finish and coloring of the product and the packaging. Addition of the fourth blade evidenced no "product development" or further inventiveness by Wang's, but merely a thinly-veiled attempt to shield obvious piracy.

Fourth, also part of *Gorham's* case-specific fact finding is the degree of attention the ordinary purchaser would give to the particular product.³⁶ Courts have recognized that low-cost "impulse buys" (such as a \$25 blender³⁷ or a \$20 hitchcover) evoke less detailed scrutiny than more expensive or more consequential items. Contrary to the Federal Circuit's view in reversing the jury below, *any reasonable jury* would and did find that the "ordinary observer" would give far less attention to a \$20 novelty (*i.e.*, *Hartco*) than to a \$5,000 set of sterling (*i.e.*, *Gorham*).

In sum, all of the *Gorham* factors are factual and case specific, *i.e.*, exactly that for which the Constitution guarantees the right of trial by jury. For the Federal Circuit to take all of these factual decisions away from the jury on the mere statement that "no reasonable jury could so find" totally eviscerates trial by jury in design patent cases, and should not be allowed by this Court.

³⁶ *Gorham* at 528 "... giving such attention as a purchaser usually gives..."

³⁷ *Braun, Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815, 820-21 (Fed. Cir. 1992); *Child Craft Indus., Inc. v. Simmons Juvenile Products Co.*, 990 F. Supp. 638, 644 (S.D. Ind. 1998)

The Federal Circuit's pre-*Elmer* decision in *Braun, Inc. v. Dynamics Corp. of America*³⁸ is a model of both logic and proper acceptance of the jury's role in our constitutional system. In *Braun*, the jury found design infringement. The defendant/appellant argued that the verdict was "not supported by substantial evidence" because the only evidence was "(1) the patent's design, and (2) the blenders themselves."³⁹ Affirming the jury, the 1992 Federal Circuit responded:

Nothing in *Gorham* suggests that, in finding design patent infringement, a trier of fact may not as a matter of law rely exclusively or primarily on a visual comparison of the patented design, as well as the device that embodies the design, and the accused device's design.

In *Gorham*, the Supreme Court did not state, or suggest, that a panel of jurors was anything other than a panel of ordinary observers capable of making a factual determination as to whether they would be deceived by an accused device's design similarity to a patented design. Simply put, a jury, comprised of a sampling of ordinary observers, does not necessarily require empirical evidence as to whether ordinary observers would be deceived by an accused device's design.⁴⁰

Hartco presented much more substantial evidence than was presented in *Braun*. In addition to presenting the patent

³⁸ 975 F.2d 815 (Fed. Cir. 1992).

³⁹ *Id.* at 821; also *id.* at 820 n. 8.

⁴⁰ *Id.* at 821.

design, the patent embodiment and the accused device, Hartco presented evidence of actual confusion in the market place -- e.g., Overton's catalog using Hartco's proprietary name and picture of Hartco's device while selling Wang's device; retail store contacting Hartco for more advertising flyers while selling Wang's device; various websites using Hartco's picture while selling Wang's device.

Wang's presented no countervailing evidence.

As correctly found in *Braun*, what constitutes substantial sameness in the eye of the ordinary observer is a fact issue well suited to a jury of ordinary people -- in fact, *better* suited to a jury of ordinary people than to a judge. Moreover, under the Seventh Amendment, the appellate court may not substitute its view of "substantial" for that of the constitutionally-impaneled jury.

CONCLUSION

In *Gorham*, this Court recognized the need to protect patents against not just literal infringement but also against colorable imitations. Current decisions of the Federal Circuit purport to follow *Gorham*, but they clearly do not.

Under today's Federal Circuit jurisprudence, the Gorham Company would most certainly lose its case based upon a Federal Circuit pronouncement that no reasonable jury could find as this Supreme Court indeed found in *Gorham*. Clearly, Mr. White's silverware bears less resemblance to the Gorham design than the resemblance between Wang's product and Hartco's design.

Patent and trademark infringement are rampant in today's marketplace. Imported knock-offs of patented designs are on

every street corner in New York and other major cities. It is critical that this Honorable Court give the design patentee a reasonable chance to protect his design against piracy. Allowing a company like Wang's, a serial infringer,⁴¹ to "get away with it" sends the wrong message and is bad law.

Would-be infringers should know that, when they intentionally copy the overall appearance and effect of a patented design, they cannot avoid a finding of infringement by simply adding an inconsequential change which makes absolutely no difference and will go unnoticed by the typical consumer. Knock-off artists should not be allowed to welch on the market acceptance created by a previously-patented design. Such persons should be put on notice that their actions will be judged by a fairly-impaneled jury who will be given reasonable latitude in determining what does and does not constitute equivalence in the eye of the ordinary observer.

Respectfully submitted,

Sessions, Fishman & Nathan, LLP

Jack M. Alltmont

Counsel of Record

(Louisiana Bar #2424)

201 St. Charles Avenue, Suite 3500

New Orleans, Louisiana 70170

Telephone: (504) 582-1500

⁴¹ Plaintiff Proffer #1.

APPENDIX A

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

Nos. 04-1480, 04-1481, 04-1482, 04-1523

[Filed August 29, 2005]

HARTCO ENGINEERING, INC.,)
Plaintiff-Cross Appellant,)
)
v.)
)
WANG'S INTERNATIONAL, INC.,)
PILOT AUTOMOTIVE, INC., PEP BOYS))
-- MANNY, MOE & JACK, INC.,)
and OVERTON'S, INC.,)
Defendants-Appellants.)

Before CLEVENGER, Circuit Judge, GAJARSA, Circuit
Judge, and PROST, Circuit Judge

ORDER

A petition for rehearing having been filed by the
APPELLANTS,

UPON CONSIDERATION THEREOF, it is

2a

ORDERED that the petition for rehearing be, and the same hereby is, DENIED.

The mandate of the court will issue on September 6, 2005.

FOR THE COURT, .

/s/

Jan Horbaly

Clerk

APPENDIX B

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

Nos. 04-1480, 04-1481, 04-1482, 04-1523

[Filed July 25, 2005]

HARTCO ENGINEERING, INC.,)
Plaintiff-Cross Appellant,)
)
v.)
)
WANG'S INTERNATIONAL, INC.,)
PILOT AUTOMOTIVE, INC., PEP BOYS))
-- MANNY, MOE & JACK, INC.,)
and OVERTON'S, INC.,)
Defendants-Appellants.)

On Appeal From the
United States District Court
for the Eastern District of Louisiana
Case No. 02-cv-1500

Before CLEVENGER, Circuit Judge, GAJARSA, Circuit
Judge, and PROST, Circuit Judge

OPINION

PROST, Circuit Judge.

Defendants-Appellants Wang's International, Inc. ("Wang's"), Pilot Automotive, Inc., Pep Boys-Manny, Moe & Jack, Inc., and Overton's, Inc. (collectively, "appellants")¹ appeal from a denial of their motion for judgment as a matter of law or alternatively for a new trial by the United States District Court for the Eastern District of Louisiana after a jury verdict of willful patent and trade dress infringement, as well as damages. Hartco Engineering, Inc. ("Hartco") cross-appeals the damage award, arguing that it should be increased. The patent at issue, U.S. Patent No. D401,194 ("the '194 patent"), is directed to a design for a decorative marine-propeller device that attaches to the trailer hitch of a vehicle and spins from the force of moving air similar to a windmill. The trade dress at issue generally relates to the design of the product, the decorative hitchcover, and the packaging of that product. Because the jury findings on design patent and product design trade dress infringement are not supported by substantial evidence, we reverse the district court's denial of appellants' motion for judgment as a matter of law on those decisions. We affirm the district court's denial of appellants' motion for judgment as a matter of law on trade dress infringement on packaging, vacate the damages decision, and dismiss the cross-appeal.

I. BACKGROUND

¹ Pep Boys-Manny, Moe & Jack, Inc. and Overton's, Inc. are customers of Wang's International, Inc. and Wang's sister company, Pilot Automotive, Inc., with limited involvement in the activities that gave rise to this action. Specifically, they are only involved in the patent infringement claim.

Hartco is the owner of the '194 patent, issued on November 17, 1998, which claims a design for a novelty trailer hitchcover featuring a three-blade marine propeller. The hitchcover is a decorative device that spins from the force of moving air when attached to the trailer hitch of a vehicle. In 1998, Wang's, a major distributor of automotive accessories, agreed to purchase and distribute the hitchcovers from Hartco for two years under Wang's "BULLY" trademark. Near the end of 2000, when the licensing agreement was due to expire, Hartco proposed to raise the price by approximately forty percent to correspond to the price Hartco charged other distributors. Wang's declined Hartco's offer, opting instead to design its own four-blade hitchcover alleging that there were certain defects in Hartco's product, including a poor chrome finish and problems with the propeller rotation. Wang's patent application on its four-blade propeller was issued as U.S. Patent No. 6,086,438 ("the '438 patent") on July 11, 2000.

While the agreement was in effect, Wang's marketed the licensed Hartco product with a blue insert card showing a picture of the product on the upper right corner and clear plastic packaging to display the product. The blue insert card also included both Wang's "BULLY" trademark and Hartco's "PROP'R-HITCHCOVER" trademark on the upper left corner, a green curved stripe underneath the lettering for Hartco's trademark, and a yellow ten-pointed star below the green stripe with the slogan "rotates while you drive" written inside the star. Following the agreement's expiration in December 2000, Wang's began marketing its new four-bladed hitchcover product without the Hartco trademark, the green curved stripe, or the yellow ten-pointed star that appeared on the earlier licensed product. Additionally, Wang's added the '438 patent number and model number. Wang's also changed

the slogan on the packaging from "rotates while you drive" to "rotates freely as you drive." However, Wang's continued to use the blue insert card with a picture of the product in use on the upper right corner, its "BULLY" trademark on the upper left corner, and clear plastic packaging to display the product. Hartco packaged its own three-bladed product also in a clear plastic case with a blue insert card that had a picture on the same corner, but without any slogan, curved stripe, or star.

In May 2001, Hartco filed a complaint against appellants alleging patent and trade dress infringement. On October 7, 2003, the district court issued a pre-trial order adopting appellants' construction of the scope of the '194 patent of "an automotive hitch cover having a propeller with three blades attached to an elongate hollow tongue of generally square cross section having four circular features in the interior corners of the tongue and a fifth central circular feature, all visible on the end remote from the propeller." A jury trial was then held on March 22, 2004. After a three-day trial, the jury found willful patent and trade dress infringement and awarded \$1,799,845 in damages to Hartco. The district court thereafter entered final judgment on the jury verdict awarding injunctive relief and monetary relief to Hartco. Because the jury award erroneously accounted for both Hartco's lost sales and Wang's profits, the district court reduced the amount of the award to \$826,749, Hartco's lost sales, plus pre-judgment interest. The district court then increased the damages award by \$383,936 for enhanced damages, and awarded \$190,000 for attorney fees and \$40,547 for out-of-pocket expenses. On July 13, 2004, the district court denied appellants' motion to enter a judgment as a matter of law in their favor or, alternatively, to grant a new trial. This appeal ensued.

This court has jurisdiction over this appeal under 28

U.S.C. § 1292(c)(2) and 28 U.S.C. § 1295(a)(1).

II. DISCUSSION

This court reviews a jury finding of infringement under a “substantial evidence” test. *Union Carbide v. Shell Oil Co.*, 308 F.3d 1167, 1177 (Fed. Cir. 2002). We reverse the denial of a motion for judgment as a matter of law if there is “no legally sufficient evidentiary basis for a reasonable jury to find for that party on that issue.” *Reeves v. Sanderson Plumbing Prods., Inc.*, 530 U.S. 133, 149, 120 S. Ct. 2097, 147 L. Ed. 2d 105 (2000).

The issues on appeal involve design patent and trade dress infringement, as well as damages.

A. Design Patent

The jury found that appellants willfully infringed Hartco’s design patent of a decorative hitchcover. Appellants appeal this decision on the grounds that the verdict of patent infringement is not supported by substantial evidence, pointing out the differences, namely the extra (fourth) blade and the lack of the “four circular features” between the accused device and the patented design. Appellants additionally argue that the district court erred in its jury instructions for the patent infringement claim by failing to instruct the jury to apply the claim construction and by directing the jury to compare the accused device to the commercial product instead of the claimed product. Finally, appellants contend that the district court erred by allowing Hartco to show a videotape of the two devices in motion, which appellants argue obscured the differences.

Hartco responds that the differences between the accused

device and the patented design of the extra blade and the “four circular features” are irrelevant because the two different designs are impossible for customers to distinguish. Hartco argues that an addition of a fourth blade and an absence of the four circular features are not substantial changes and that the jury correctly found that the products are visually the same. Furthermore, Hartco responds that the jury instructions were proper, arguing that the device claimed by the Hartco patent and its commercially produced device are identical.

Design patent protection is very narrow, covering only what is shown in the drawings in the patent. *In re Mann*, 861 F.2d 1581, 1582 (Fed. Cir. 1988); *see also Elmer v. ICC Fabricating*, 67 F.3d 1571, 1577 (Fed. Cir. 1995). Protection is further limited to only the novel ornamental features of the patented design. *OddzOn Prods. v. Just Toys*, 122 F.3d 1396, 1405 (Fed. Cir. 1997); *Keystone Retaining Wall Sys., Inc. v. Westrock, Inc.*, 997 F.2d 1444, 1450 (Fed. Cir. 1993); *Lee v. Dayton-Hudson Corp.*, 838 F.2d 1186, 1188 (Fed. Cir. 1988). Thus, if a design contains functional and ornamental features, the patentee must show the alleged infringement based on the ornamental features only. *OddzOn*, 122 F.3d at 1405; *Read Corp. v. Portec, Inc.*, 970 F.2d 816, 825 (Fed. Cir. 1992).

We agree with the district court’s depiction of the drawings of the ‘194 patent as showing a hitchcover “with three blades” attached to a tongue “having four circular features” that are visible. Only these ornamental aspects of Hartco’s patented hitchcover design, not the broader, general hitchcover concept that merely mimics a propeller, are protected. *See OddzOn*, 122 F.3d at 1405; *see also Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 104 (Fed. Cir. 1996). Therefore, Hartco’s design patent does *not* cover any

hitchcover shaped as a propeller with any number of blades, regardless of its ornamental features. *See OddzOn*, 122 F.3d at 1400. Specifically, the inclusion of blades, a nose, and a tongue are part of the general propeller concept and not protected ornamental aspects independent of their unique configuration. *See Durling*, 101 F.3d at 104. Instead, only the number and shape of the blades, as well as the four circular features, are ornamental aspects, subject to patent protection. Hartco chose to include these features in its design application and limited the scope of its patent claim to that design, see *Elmer*, 67 F.3d at 1577.

Following claim construction, determining patent infringement next requires comparison of the patented and accused designs overall. *Contessa Food Prods. Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1376 (Fed. Cir. 2002); *Elmer*, 67 F.3d at 1577. "Comparison to the accused product includes two distinct tests, both of which must be satisfied in order to find infringement: (a) the 'ordinary observer' test, and (b) the 'point of novelty' test." *Contessa*, 282 F.3d at 1377; *Unidynamics Corp. v. Automatic Prods Int'l, Ltd.*, 157 F.3d 1311, 1323 (Fed. Cir. 1998); *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 528, 20 L. Ed. 731 (1871). The two tests are separate, with the "point of novelty" test requiring proof that the accused device infringes the novel aspects of patented design as distinct from the prior art. *Contessa*, 282 F.3d at 1377; *Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1444 (Fed. Cir. 1984). Under the ordinary observer test, "one must compare the ornamental features of the patented design, as shown in all of the drawings, to the features of the alleged infringing product visible at anytime during normal use of the product." *Contessa*, 282 F.3d at 1380.

Comparing the two designs, we disagree with the district

court that the jury verdict of design patent infringement was supported by substantial evidence. The designs do not have to be identical to an accused device to be protected, *see OddzOn*, 122 F.3d at 1405, but Hartco's patented design is limited to the design it claimed with the three-blades and four circular features. Appellants' four-blade product has a substantially different overall ornamental appearance from the claimed three-blade product. *See Elmer*, 67 F.3d at 1577-78. As no reasonable jury could have concluded that the overall visual appearance of the claimed design is substantially similar to the accused design, we do not need to employ the point of novelty test. *See KeyStone Retaining Wall Sys.*, 997 F.2d at 1451. We thus reverse the district court's denial of judgment of noninfringement as a matter of law, together with the award of damages for design patent infringement.²

B. Trade Dress Infringement

The jury found that the appellants infringed Hartco's trade dress of the hitchcover design and packaging. Appellants appeal the denial of their motion for judgment as a matter of law on trade dress infringement as to both product configuration and packaging, also contending that the district court erred in its jury instructions for the trade dress infringement claims. Specifically, they argue that the instructions erroneously lacked any discussion of the elements to prove secondary meaning for product configuration and inherent distinctiveness for packaging.

Hartco responds that trade dress can be protected absent

² In light of our finding of non-infringement, we do not reach the other related issues raised by the appellants, including their challenge of the jury instructions.

secondary meaning. Thus, under its interpretation of trade dress law, Hartco further argues that the jury was properly instructed, rendering a reasonable verdict. Hartco alternatively argues that, even if secondary meaning is necessary to prove trade dress infringement on the product and the package, it showed secondary meaning and that this court should therefore uphold the jury verdict.

Protection for trade dress is provided by § 43(a) of the Lanham Act, which creates a federal cause of action for trade dress infringement. *See* 15 U.S.C. § 1125(a) (1994); *see also Elmer*, 67 F.3d at 1578. Trade dress refers to product packaging and the design of the product itself, and involves the total image, including the size, shape, color, and texture. *Elmer*, 67 F.3d at 1578. Trade dress is protectible under § 43(a) if it is distinctive, either inherently or as acquired through secondary meaning, and nonfunctional. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 769, 112 S. Ct. 2753, 120 L. Ed. 2d 615 (1992). "It is, of course, also undisputed that liability under § 43(a) requires proof of the likelihood of confusion." *Id.* "Because trade dress issues are not unique to the exclusive jurisdiction of the Federal Circuit, we defer to the law of the regional circuit in which the district court sits," *id.*, and thus, we apply Fifth Circuit law on this issue. *See Imagineering, Inc. v. Van Klassens, Inc.*, 53 F.3d 1260, 1263 (Fed. Cir. 1995); *see also KeyStone Retaining Wall Sys.*, 997 F.2d at 1447.

1. Product Design

Under Fifth Circuit law, trade dress protects only the overall appearance of a product. *Eng'g Dynamics v. Structural Software*, 26 F.3d 1335, 1350 (5th Cir. 1994); *Allied Mktg. Group, Inc. v. CDL Mktg., Inc.*, 878 F.2d 806, 812 (5th Cir. 1989); *Elmer*, 67 F.3d at 1578. In order to

prevail on its trade dress infringement claims for the product configuration, Hartco was required show that the trade dress was "nonfunctional, distinctive, and has acquired a secondary meaning." See *Eng 'g Dynamics*, 26 F.3d at 1350. Second, it had to show a likelihood of customer confusion. *Id.*; see also *Taco Cabana Int'l, Inc. v. Two Pesos, Inc.*, 932 F.2d 1113, 1117-18 (5th Cir. 1991), *aff'd*, 505 U.S. 763, 112 S. Ct. 2753, 120 L. Ed. 2d 615 (1992).

We reject Hartco's argument that the hitchcover design is inherently distinctive and thus it does not have to show that the trade dress acquired secondary meaning as to the product. See *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 212, 146 L. Ed. 2d 182, 120 S. Ct. 1339 (2000). Rather, a product design cannot be inherently distinctive as a matter of law. *Id.* at 215. Therefore, it is necessary to determine whether Hartco met its burden of presenting sufficient evidence to support a finding of secondary meaning. See *Sugar Busters LLC v. Brennan*, 177 F.3d 258, 269 (5th Cir. 1999). Under Fifth Circuit law, length and nature of use, sales volume and advertising, consumer surveys and testimony, and appellants' intent are the relevant factors regarding secondary meaning. *Pebble Beach Co. v. Tour 18 I*, 155 F.3d 526, 541 (5th Cir. 1998).

Reviewing the record, we note that although Hartco sold its hitchcover for four years before appellants released their own version, it offered no evidence that sales volume, advertising, nature of use, or appellants' intent proved that its trade dress had acquired secondary meaning. Moreover, Hartco introduced no survey evidence, which is the most direct and persuasive evidence for establishing secondary meaning. *Sugar Busters*, 177 F.3d at 269. We thus conclude that Hartco did not meet its burden of establishing secondary meaning and thus that the trade dress of the product is not

protectible. See *Two Pesos*, 505 U.S. at 766, n. 4; see also *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851, n. 11, 102 S. Ct. 2182, 72 L. Ed. 2d 606 (1982). Therefore, substantial evidence does not support a finding of trade dress infringement on the product design. As no reasonable jury could have concluded that Hartco showed secondary meaning, we reverse the district court's denial of judgment of noninfringement as a matter of law, together with the award of damages relevant to trade dress infringement.

2. Packaging

Unlike product configuration, product packaging is capable of being inherently distinctive and thus a showing of secondary meaning may be unnecessary to prevail on a trade dress claim. *Two Pesos*, 505 U.S. at 766. Packaging trade dress is inherently distinctive if its intrinsic nature identifies the source of a product. In this case, Hartco's packaging trade dress includes the clear plastic package showing the product inside and the blue cardboard background with white lettering identifying the product and Hartco's trademark "PROP'R-HITCHCOVER" with red lines in the upper left hand corner and a picture of the product in position on a vehicle and the product's patent information in the upper right hand corner. Separately, these elements may be descriptive and thus not subject to trade dress protection. See *Taco Cabana*, 932 F.2d at 1120. However, taken together, Hartco's trade dress is *ipso facto* inherently distinctive and thus, subject to protection under § 43(a) of the Lanham Act. See *id.*

We next determine whether the packaging of the accused trade dress creates a likelihood of consumer confusion. Under Fifth Circuit law, the seven elements relevant to determining consumer confusion are: "(1) the type of mark allegedly infringed, (2) the similarity between the two marks, (3) the

similarity of the products or services, (4) the identity of the retail outlets and purchasers, (5) the identity of the advertising media used, (6) the defendant's intent, and (7) any evidence of actual confusion." *Pebble Beach*, 155 F.3d at 543. Here, Hartco presented evidence that the forms of trade dress are similar, the products are interchangeable, the purchasers and advertisers are the same, and there was actual confusion among customers. Hartco further presented evidence that Wang's intended to copy Hartco's packaging. We therefore find that appellants have not shown that the jury verdict is not supported by substantial evidence and we therefore affirm the district court's denial of appellants' motion for judgment as a matter of law for trade dress infringement on packaging.

CONCLUSION

We reverse the district court's denial of appellants' motion for judgment as a matter of law on design patent infringement and trade dress infringement on product design. We affirm the district court's denial of appellants' motion for judgment as a matter of law on trade dress infringement on packaging, and vacate the damages decision, including the enhancement of damages, out-of-pocket expenses, and attorney fees, for further proceedings to determine the appropriate damages award for the packaging trade dress infringement.³ We

³ Because we are vacating the award of damages, we do not need to reach the issues raised by appellants regarding damages. We note, however, that Rule 52(a) of the Federal Rules of Civil Procedure provides that a court must explain the factual and legal conclusions supporting any enhancement decision, *Chandler v. City of Dallas*, 958 F. 2d 85, 90 (5th Cir. 1992), and that award of attorney fees based on contingency fee agreements has been rejected by the Supreme Court, *City of Burlington v. Dague*, 505 U.S. 557, 565-67, 112 S. Ct. 2638, 120 L. Ed. 2d 449 (1992).

15a

dismiss the cross-appeal.

No costs.

APPENDIX C

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

Nos. 04-1480, 04-1481, 04-1482, 04-1523

[Filed July 25, 2005]

HARTCO ENGINEERING, INC.,)
Plaintiff-Cross Appellant,)
)
v.)
)
WANG'S INTERNATIONAL, INC.,)
PILOT AUTOMOTIVE, INC., PEP BOYS))
-- MANNY, MOE & JACK, INC.,)
and OVERTON'S, INC.,)
Defendants-Appellants.)

On Appeal From the
United States District Court
for the Eastern District of Louisiana
Case No. 02-cv-1500

Before CLEVINGER, Circuit Judge, GAJARSA, Circuit
Judge, and PROST, Circuit Judge

JUDGMENT

This CAUSE having been heard and considered, it is ORDERED and ADJUDGED:

REVERSE-IN-PART; AFFIRM-IN-PART and VACATE-IN-PART.

ENTERED BY ORDER OF THE COURT

DATED July 25, 2005

/s/

Jan Horbaly, Clerk

Issued as a Mandate: September 6, 2005

APPENDIX D

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

NO. 02-1500

[Filed July 13, 2004]

HARTCO ENGINEERING, INC.)
)
v.)
)
WANG'S INTERNATIONAL, INC., ET AL.)
)

MINUTE ENTRY

Before the Court is Defendant Wang's International Inc.'s Motion Under Federal Rules 50(b) and 59(a) seeking this court to enter a judgment as a matter of law in Defendant's favor, or, alternatively, grant a new trial on issues of liability and/or damages. (Rec. Doc. No. 134).

A jury trial was held in the instant case on March 22, 2004. (*See* Rec. Doc. Nos. 124, 126, 127). On April 28, 2004, oral argument was held on Plaintiff's post-trial motions requesting the entry of a monetary judgement and an injunction. (Rec. Doc. Nos. 131, 132). The issues raised during this oral argument were similar to those raised in Defendant's post-trial motions. At the conclusion of oral

argument, plaintiff was instructed to modify the injunction slightly before the final form would be approved by this Court. Plaintiff subsequently filed its response to Defendant's Rule 50(b) and 59(a) motion. (Rec. Doc. No. 141). Plaintiff's motions to adopt judgment and to enter monetary award were granted and were entered on June 30, 2004. (Rec. Doc. Nos. 147, 151). Having considered the instant motion, this Court finds that defendants engaged in infringement of plaintiff's valid patent, and that the jury award was reasonable and supported by credible evidence presented during trial. Therefore, IT IS ORDERED that Defendant's Motion under Rule 50(b) and Rule 59(a) is hereby DENIED.

/s/

IVAN L.R. LEMELLE

UNITED STATES DISTRICT JUDGE

APPENDIX E

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

NO. 02-1500

[Filed June 30, 2004]

HARTCO ENGINEERING, INC.)
Plaintiff)
v.)
)
WANG'S INTERNATIONAL, INC., ET AL.)
Defendants)
)

**JUDGE LEMELLE
MAG. JUDGE ROBY**

JUDGMENT FOR MONETARY AWARD

IT IS ORDERED, ADJUDGED AND DECREED that:

- (1) Judgment for damages pursuant to 35 U.S.C. § 284 is awarded to Hartco Engineering Inc. ("Hartco") and against Wang's International, Inc., and Pilot Automotive, Inc. (collectively "Wang's/Pilot"), *in solido*, in the sum of \$826,749 together with prejudgment interest on the amount of damage for each year as shown on Plaintiff's Trial Exhibit 25B (each year's damage amount added as

of January 1 of that year) at the Treasury Bill rate each month compounded annually so that the total amount of the judgment for damages and prejudgment interest through June 30, 2004 is \$860,904.13.

- (2) Judgment is further hereby awarded to Hartco and against Wang's/Pilot, *in solido*, in the amount of \$190,000 for attorney's fees.
- (3) Judgment is further hereby awarded to Hartco and against Wang's/Pilot, *in solido*, for an additional sum of \$383,936 as enhanced damages.
- (4) Judgment is further hereby awarded to Hartco and against Wang's/Pilot, *in solido* in sum of \$40,547 for out-of-pocket expenses incurred in connection with the litigation.
- (5) All of the above-awarded amounts shall bear post-judgment interest in accordance with law.

New Orleans, Louisiana, this 29th day of June, 2004.

/s/

UNITED STATES DISTRICT JUDGE

APPENDIX F

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

NO. 02-1500

[Filed June 25, 2004]

HARTCO ENGINEERING, INC.)
Plaintiff)
v.)
)
WANG'S INTERNATIONAL, INC., ET AL.)
Defendants)

**JUDGE LEMELLE
MAG. JUDGE ROBY**

JUDGMENT FOR INJUNCTIVE RELIEF

In accordance with the jury verdict rendered on March 24, 2004:

IT IS ORDERED, ADJUDGED AND DECREED that:

1. United States patent No. D401,194 (hereinafter "the Hartco Patent") is valid and enforceable.
2. The device manufactured for and marketed by Wang's

International, Inc. ("Wang's") and Pilot Automotive, Inc. ("Pilot"), and bought and resold by The Pep Boys - Manny, Moe & Jack, Inc. ("Pep Boys") and by Overton's, Inc. ("Overton's") (said device hereinafter referred to as "The Bully Hitch Cover") infringes the Hartco Patent in that it is substantially similar to and a colorable imitation of the Hartco Patent.

3. The trade dress of the Bully Hitch Cover, including the appearance of the product and the commercial display packaging thereof, infringes on the trade dress of the Hartco device and is substantially similar and confusingly similar to the trade dress of the Hartco device.

4. Hartco was damaged by infringement of the Hartco Patent and trade dress by Wang's, Pilot, Pep Boy and Overton's (hereinafter sometimes collectively "Defendants").

5. Defendants, their officers, directors, agents, servants, employees, attorneys, and all persons acting for, by, with, through or in concert with Defendants or any of them are hereby permanently enjoined:

- (a) From infringing the Hartco Patent and/or Hartco's trade dress either directly, indirectly or contributorily;
- (b) From inducing others to infringe the Hartco Patent and/or Hartco's trade dress;
- (c) Except for the manufacture and sale at retail of the Bully Hitch Cover both solely outside the United States (which are not restrained herein), from manufacturing or causing to be manufactured, importing, using and/or selling the Bully Hitch Cover or any device that would be substantially similar in

appearance or a colorable imitation of or an equivalent to the Haxtco device produced under the Hartco Patent.

6. Within ten (10) days and subject to the Protective Order entered by the Court in this matter, Defendants shall prepare and deliver to the Court and serve upon Hartco's counsel a complete list setting forth the names, addresses, telephone numbers and contact persons from whom Defendants have imported and/or purchased, and to whom Defendants have distributed, sold and/or offered for sale:

(a) Any Bully Hitch Covers, and

(b) All packaging, display, merchandising or advertising materials used in connection with the sale, marketing, advertising and/or distribution of the Bully Hitch Cover (such materials hereafter known as "Related Materials").

7. Within ten (10) days, Defendants shall deliver to the Court and serve upon Hartco's counsel any and all documentation reflecting or relating to the importation, purchase, offer for sale, sale or distribution of the Bully Hitch Cover and/or the Related Materials.

8. Within ten (10) days, Wang's/Pilot shall notify every person to whom Wang's/Pilot has sold or delivered the Bully Hitch Cover of this Judgment, and shall inform that person that sale of the Bully Hitch Cover may subject that person to litigation for infringement of a patent and payment of damages to Hartco.

9. Within ten (10) days of the finality of this Judgment, following the exhaustion of all appellate review, Defendants

shall deliver to Hartco for destruction all of the Bully Hitch Covers and Related Materials that are in the possession, custody or control of any of the Defendants within the United States.

10. Within twenty (20) days of this Judgment, Defendants shall file with the Court and serve upon Hartco's attorneys a written report under oath setting forth in detail the manner in which defendants have complied with Paragraphs 6 through 8, *supra*.

11. In the event Defendants decide to sell, manufacture or distribute a hitchcover device involving a marine-style propeller ("the hitchcover device"), then the following procedure shall apply:

Defendants shall furnish a description of the hitchcover device to Hartco Engineering, Inc. subject to the Protective Order (Rec.Doc.No.30), and the parties shall thereafter engage in good faith communication whether the hitchcover device infringes the Hartco patent. In the event the parties are unable to resolve their differences amicably, a party may file a motion with the Court to obtain a determination as to whether the hitchcover device would infringe the Hartco patent.

New Orleans, Louisiana, this 23rd day of June, 2004.

/s/

UNITED STATES DISTRICT JUDGE

APPENDIX G

UNITED STATES PATENT

Patent Number: Des. 401,194

Date of Patent: Nov. 17, 1998

AUTOMOBILE HITCH COVER

Inventor: Cary J. Harwood
71106 Indiana Lake Dr.
Union, Mich. 49130

Term: 14 Years

Appl. No. 61,031

Filed: Oct. 15, 1996

LOC(6) Cl.....12-16

U.S. Cl.D12/162; D12/214

Field of Search.....D12/162, 190, D12/214; 280/504,
511; 428/31

References Cited

U.S. PATENT DOCUMENTS

D. 60,492	2/1922 Harris
D. 77,894	3/1929 Dietsch
D. 79,728	10/1929 Kurilla
D. 180,435	6/1957 Auren

D. 295,738	5/1988 Federico	
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5,182,146	1/1993 O'Hara	
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5,476,279	12/1995 Klemetsen	280/504
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5,603,178	2/1997 Morrison	280/507
5,620,198	4/1997 Borchers	280/507

OTHER PUBLICATIONS

Bronze Propeller Illustration, Front Cover Of Michigan Propellers Outboard Catalog, Feb. 1970.

Primary Examiner—Robert M. Spear

Attorney, Agent, or Firm—Ryan M. Fountain

CLAIM

The ornamental design for an automobile hitch cover, as shown and described.

DESCRIPTION

FIG. 1 shows a front view of an automobile hitch cover incorporating the design of the present invention;

FIG. 2 shows a front, upper left perspective view of the hitch cover of FIG. 1.

FIG. 3 shows a rear view of the hitch cover of FIG. 1;

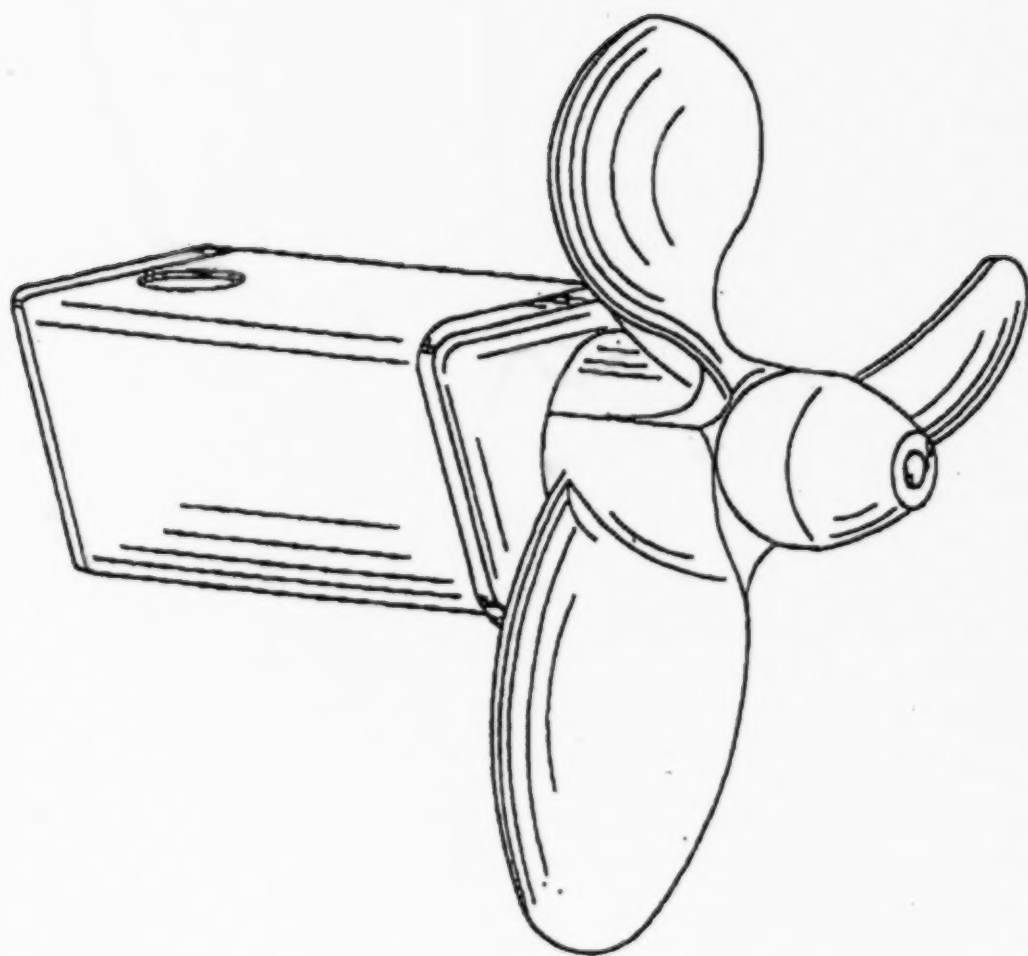
FIG. 4 shows a bottom right perspective view of the hitch cover of FIG. 1; and

28a

FIG. 5 shows a left side view of the hitch cover of FIG. 1, the right side being substantially a mirror image thereof.

1 Claim, 5 Drawing Sheets

29a



30a

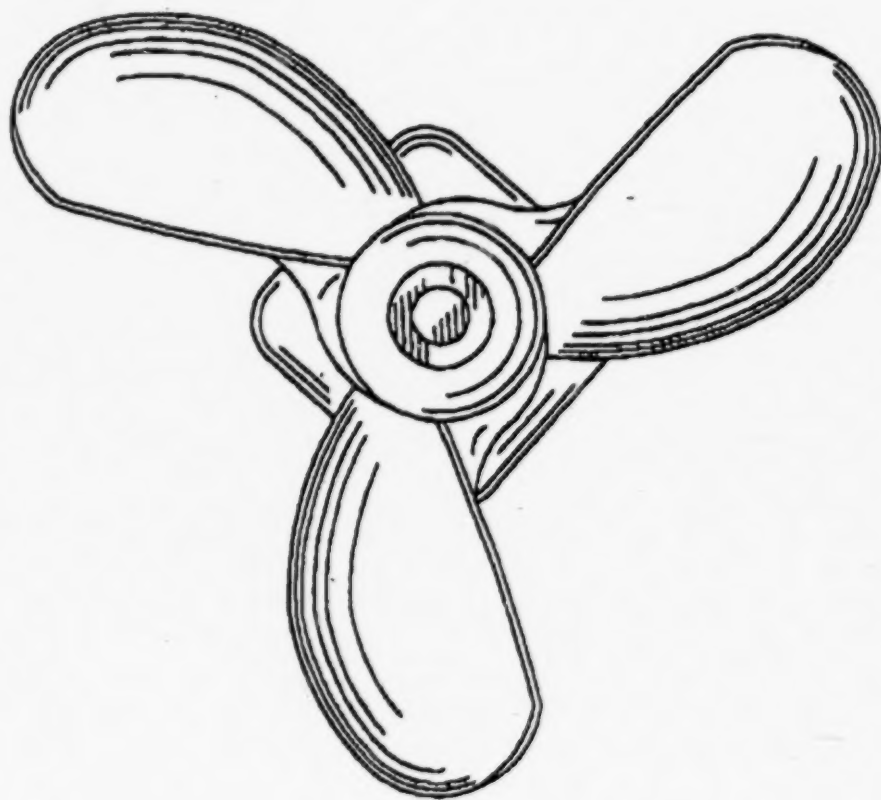


FIG. 1

31a

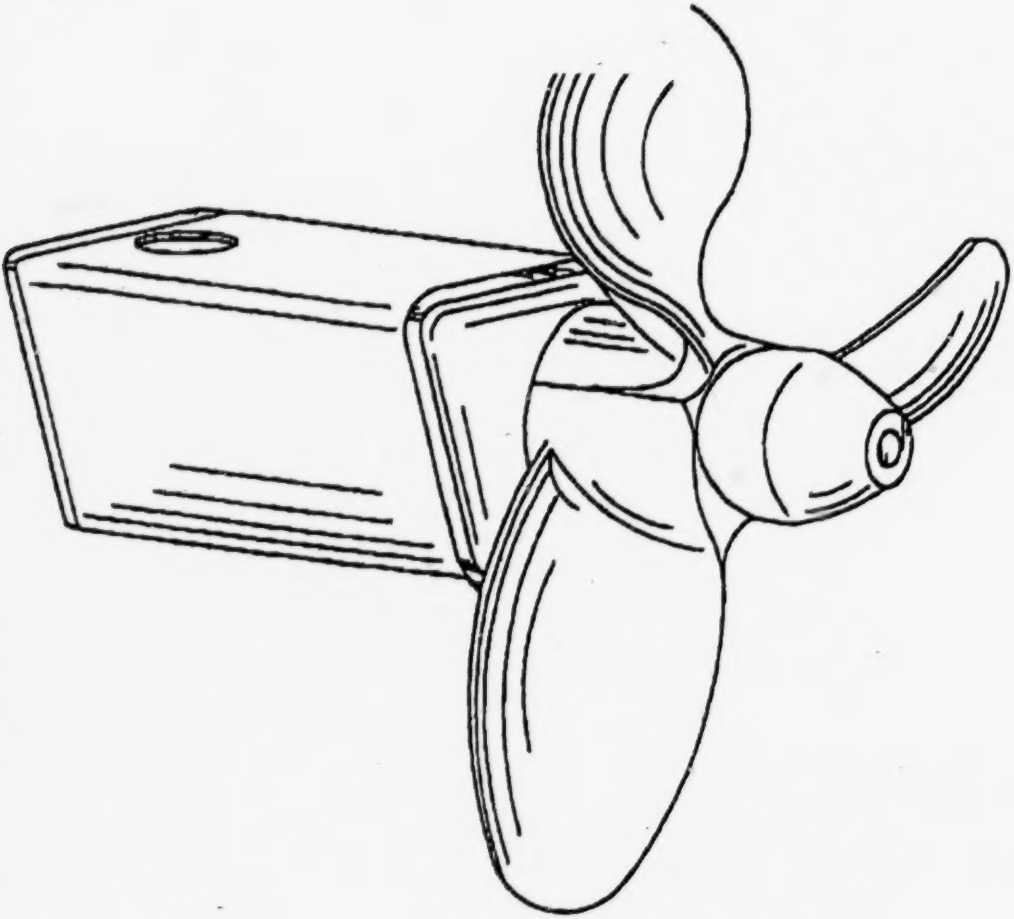


FIG. 2

32a

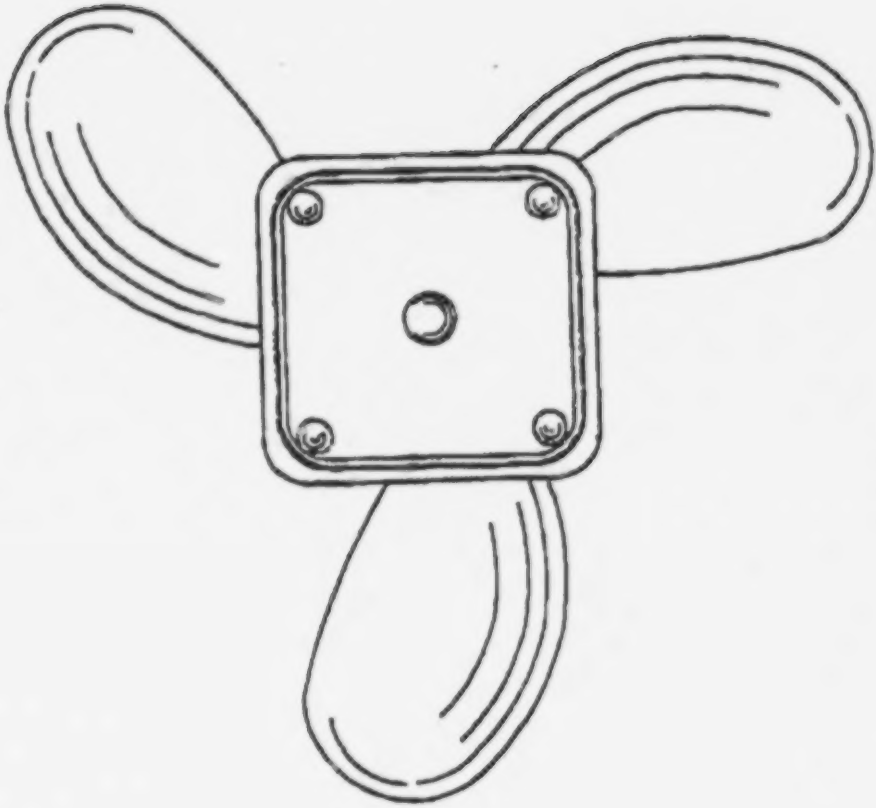


FIG. 3

33a

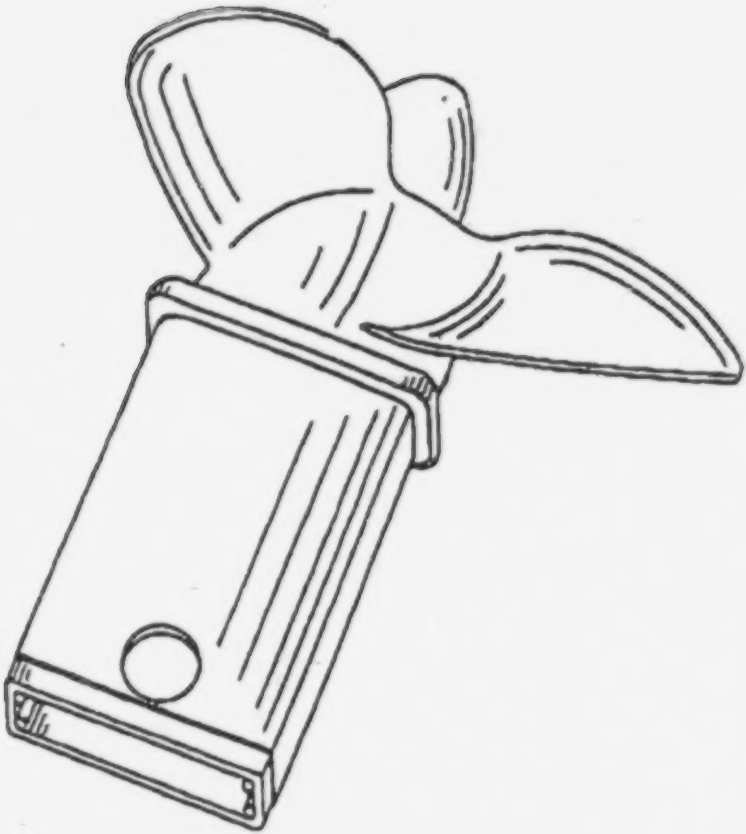


FIG. 4

34a

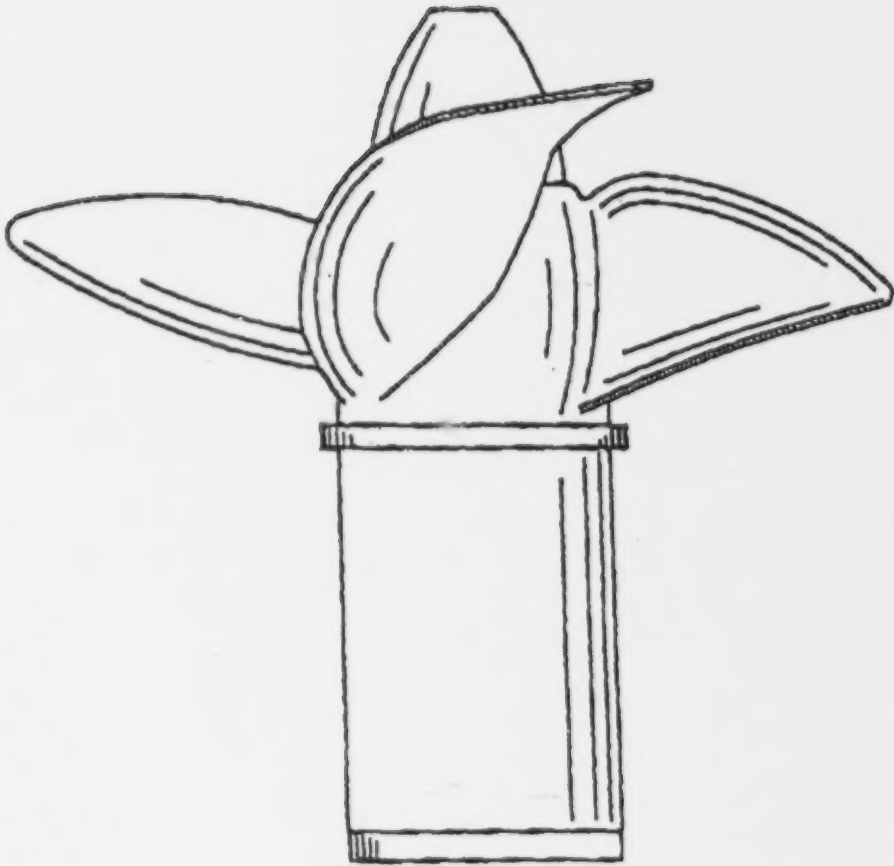
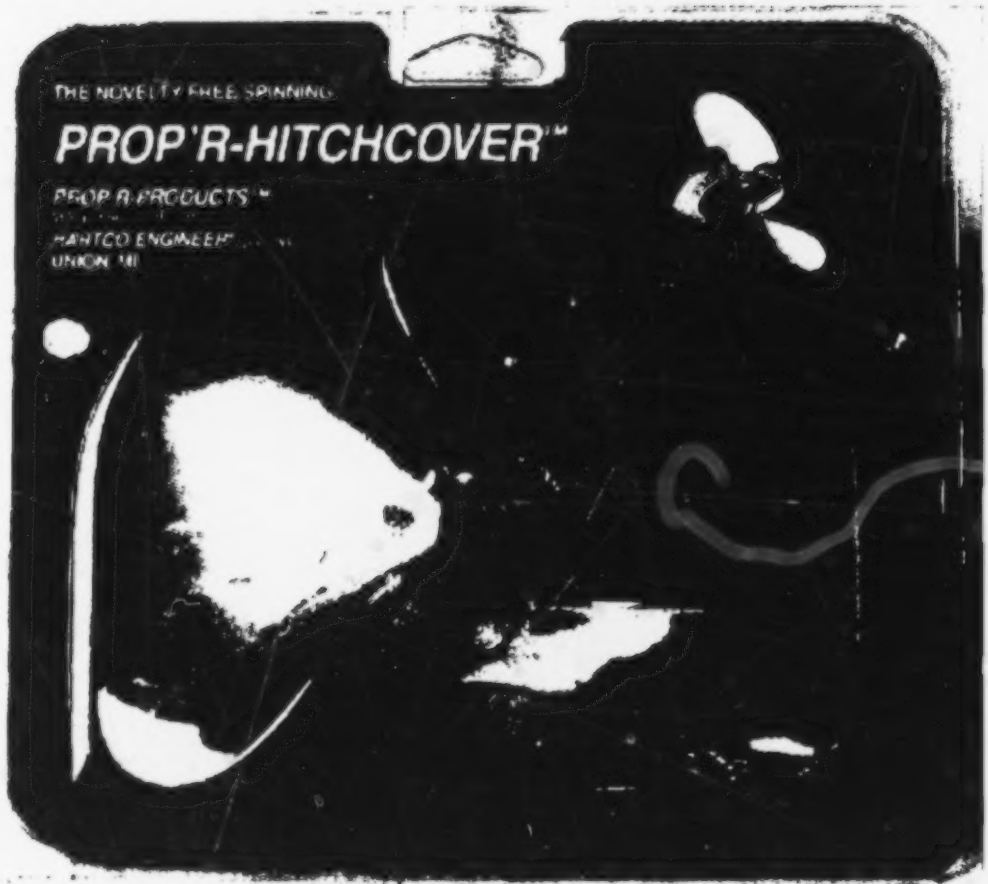


FIG. 5

35a

APPENDIX H

COLOR PHOTOGRAPHS



PLAINTIFF EXHIBIT "B"
(HARTCO PRODUCT)

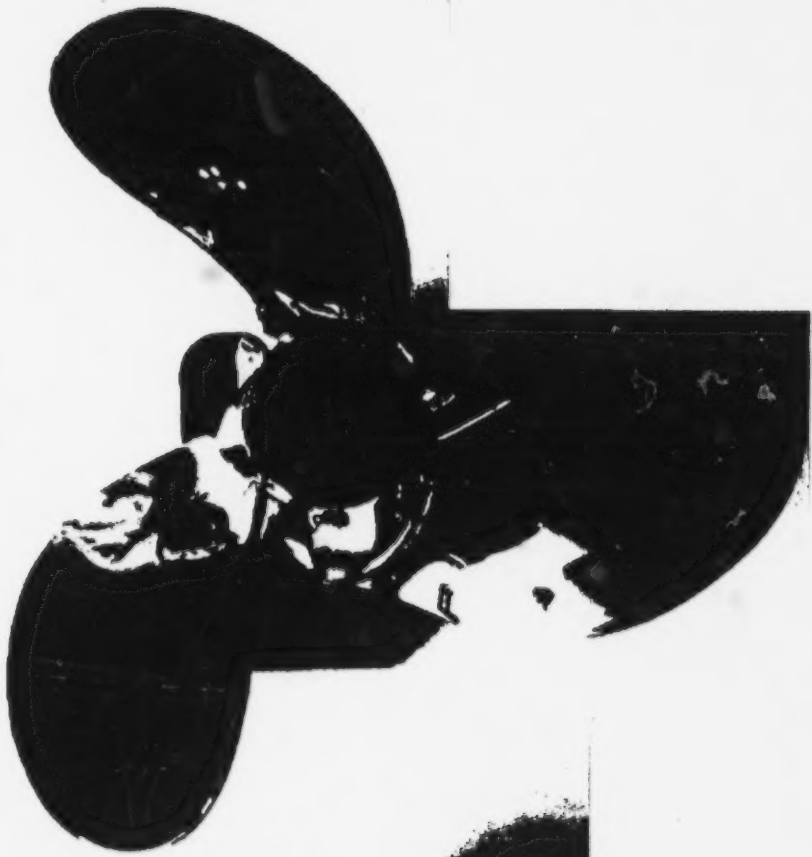
37a



PLAINTIFF EXHIBIT "D"]

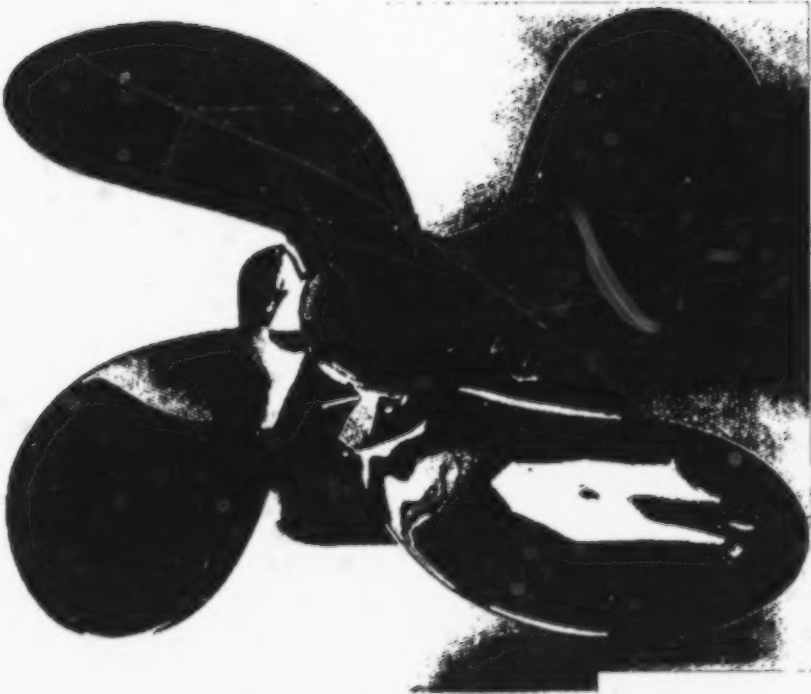
(WANG'S PRODUCT)

38a



PLAINTIFF EXHIBIT "B"
(HARTCO PRODUCT)

39a



PLAINTIFF EXHIBIT "D"

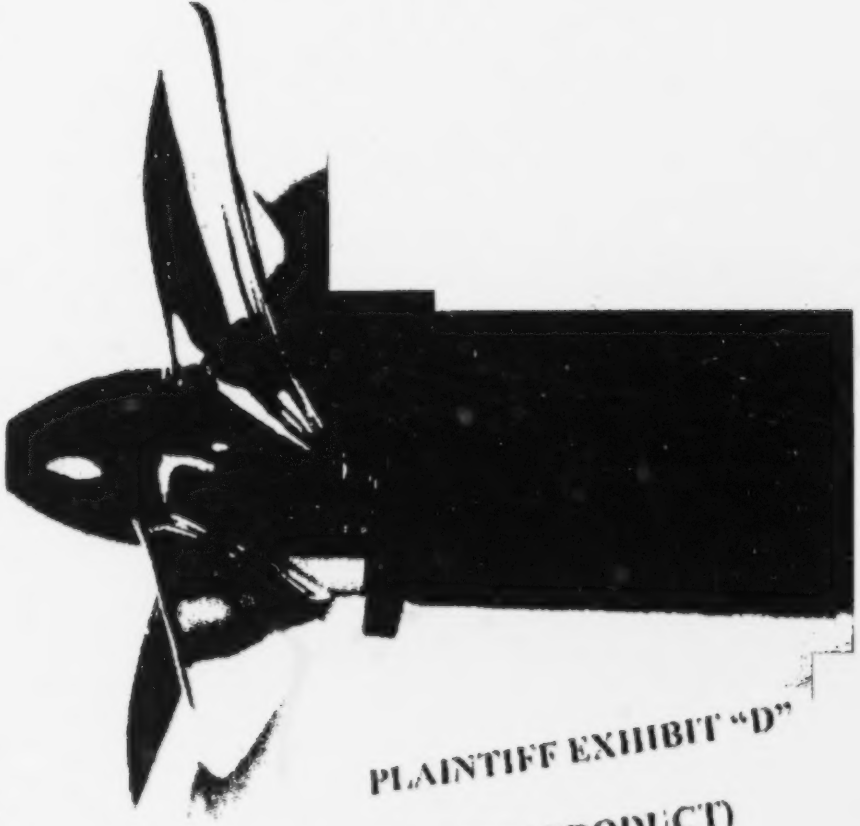
(WANG'S PRODUCT)

40a



PLAINTIFF EXHIBIT "B"
(HARTCO PRODUCT)

41a



PLAINTIFF EXHIBIT "D"
(WANG'S PRODUCT)



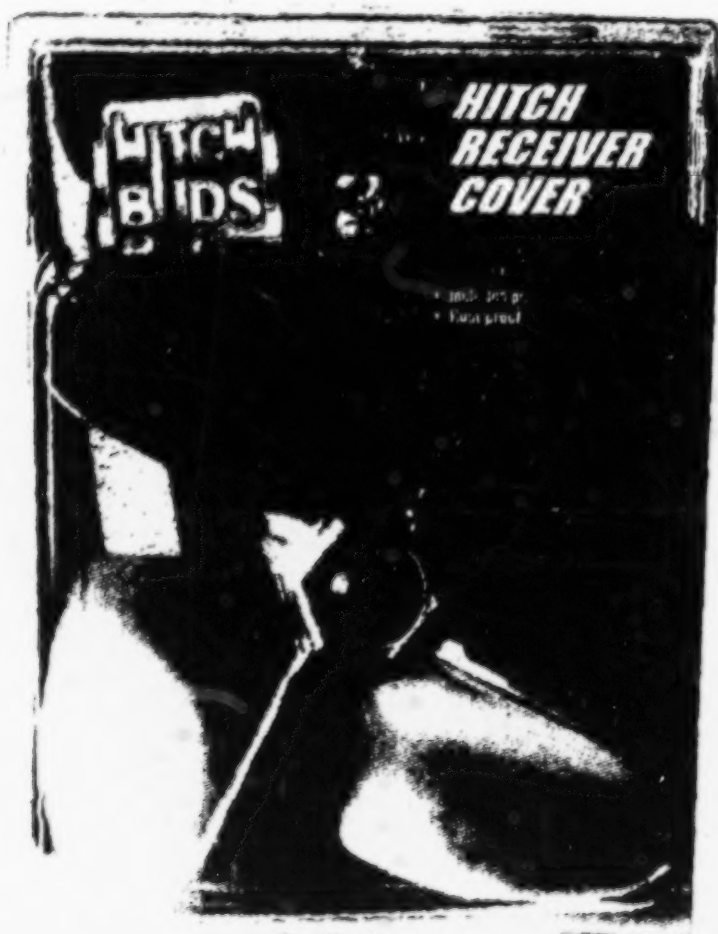
PLAINTIFF EXHIBIT "D"

(WANG'S PRODUCT)



PLAINTIFF EXHIBIT "B"

(HARTCO PRODUCT)



PLAINTIFF EXHIBIT "E"
(NON-PARTY'S PRODUCT)

44a



PLAINTIFF EXHIBIT "E"
(NON-PARTY'S PRODUCT)

(2)

No. 05-713

FILED

JAN 4 - 2006

OFFICE OF THE CLERK
SUPREME COURT OF THE U.S.

IN THE
Supreme Court of the United States

HARTCO ENGINEERING, INC.,

Petitioner,

v.

WANG'S INTERNATIONAL, INC., *et al.*,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

BRIEF IN OPPOSITION

JAMES C. WESEMAN
LAW OFFICES OF
JAMES C. WESEMAN, APC
First National Bank Center
401 West A Street
Suite 1600
San Diego, CA 92101
(619) 531-0950

ANDREW P. BURNSIDE
Counsel of Record
PIERRE V. MILLER II
PATRICK, MILLER, BURNSIDE
& BELLEAU, LLC
400 Poydras Street
Suite 1680
New Orleans, LA 70130
(504) 527-5400

Attorneys for Respondents

198720



COUNSEL PRESS
(800) 274-3321 • (800) 359-6859

QUESTIONS PRESENTED

1. Whether the holding in *Gorham Co. v. White* precludes appellate review of a jury verdict of design patent infringement under the Federal Rules of Civil Procedure and the "substantial evidence" standard?

2. Whether design patent infringement determinations should comply with the *Markman v. Westview Instruments* requirement that patent claim construction be articulated verbally to the jury and thus preserved for appellate review?

3. Whether a jury verdict of design patent infringement, based on flawed jury instructions, is subject to appellate review under the Federal Rules of Civil Procedure and the "substantial evidence" standard?

STATEMENT UNDER SUPREME COURT RULE 29.6

None of the Respondents, Wang's International, Inc., Pilot Automotive, Inc., The Pep Boys – Manny, Mo and Jack, and Overton's, Inc., have parent corporations, and there are no publicly held corporations that own 10% or more of their stock.

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<i>Sun Hill Industries, Inc. v. Easter Unlimited, Inc.</i> , 48 F.3d 1193 (Fed. Cir. 1995)	21
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INTRODUCTION

The Federal Circuit applied this Court's holding in *Gorham Co. v. White*, 81 U.S. 511 (1871)¹ and its own long-standing design patent precedents to determine that there was no substantial evidence to support a jury verdict of design patent infringement in the present case. Petitioner seeks to have this decision reversed, and in so doing, overturn almost 20 years of settled Federal Circuit design patent jurisprudence.

However, the instant Petition is an inappropriate vehicle for examining the Federal Circuit's history of design patent cases, because the questions presented were not raised to or decided by either of the courts below, and therefore no record exists upon which this Court could examine the issues.

In addition, the Federal Circuit did not publish the decision below. It established no new precedent affecting either the district courts or the Federal Circuit itself, the only circuit that will hear such cases in the future.

Finally, the Federal Circuit decision correctly applied this Court's holdings, and its own precedents, to decide a very simple case affecting only the present parties. Nothing in the decision below conflicts with holdings of this Court or with any Constitutional guarantees, and thus the instant Petition raises no important questions of federal law deserving of attention from this Court.

1. Erroneously cited throughout by Petitioner as *Gorham Mfg. Co. v. White*.

STATEMENT OF THE CASE

The Federal Circuit presented a general factual background of the present matter that is evenhanded and free from inflammatory advocacy. *Hartco Engineering, Inc. v. Wang's International, Inc.*, 142 Fed. Appx. 455, 456-57 (Fed. Cir. 2005), Petition Appendix pp. 5a - 6a. Respondents include here certain supplemental facts not recited by the Federal Circuit or cited by Petitioner.

The Federal Circuit applied the "ordinary observer" test articulated in *Gorham*, and the Federal Circuit's design patent jurisprudence developed subsequently, to the facts that U.S. Design Patent No. D401,194 ("the '194 Patent" Petition Appendix G) depicts a three-bladed marine-style propeller attached to a hitch cover tongue having circular ornamental features in the interior corners, and the accused device is a four-bladed marine-style propeller attached to a hitch cover tongue without circular ornamental features in the interior corners. The Federal Circuit held there was no substantial evidence that the accused device has substantially the same overall ornamental appearance as the '194 Patent design. The unanimous decision was not certified for publication under Federal Circuit Rule 47.6(b), and thus is not citable as precedent.

REASONS FOR DENYING THE PETITION

The instant Petition presents a number of questions, none of which were raised to or decided by the courts below. The decision below was not certified for publication, and thus is not a precedent binding on any court. Further, the decision below does not conflict with the Constitution, any decision of this Court, nor of any other court of appeals, and fails to raise any important questions of federal law deserving of attention by this Court.

I. THE QUESTIONS PRESENTED WERE NOT RAISED TO OR RESOLVED BY THE FEDERAL CIRCUIT.

Petitioner asserts three questions for this Court's consideration. Petition, p. 1. None of these questions were raised by Petitioner to, or resolved by, the Federal Circuit. Because Petitioner's questions were "neither raised in nor passed upon by the Court of Appeals" this Court should decline to hear them, since "[i]n the ordinary course, we do not decide questions neither raised nor resolved below." *Glover v. United States*, 531 U.S. 198, 205 (2001) (citing *Taylor v. Freeland & Kronz*, 503 U.S. 638, 646 (1992)). Petitioner's failure to preserve the issues now asserted in its Petition for Writ of *Certiorari* indicates this case is unworthy of this Court's attention. *Glover, supra*.

Regarding Question 1, Petitioner never argued to the Federal Circuit that the Federal Circuit's precedents concerning the scope of design patents conflict with this Court's ruling in *Gorham Co. v. White*, 81 U.S. 511 (1871). Indeed, Petitioner's opening brief to the Federal Circuit did not cite the Federal Circuit cases applying the rule of which

Petitioner now, for the first time in this litigation, complains: that the claim of a design patent is very narrow, a rule which somehow “supplants” *Gorham*. Instead, as indicated in the Statement of Issues in its brief to the Federal Circuit, Petitioner argued that the “jury’s and trial court’s finding of patent infringement [was] supported by substantial evidence.” The sole patent law determination the Federal Circuit made was that the jury verdict of infringement was not supported by substantial evidence and the District Court erred in denying Respondents’ motion for judgment as a matter of law. *Hartco*, 142 Fed. Appx. at 459, Petition, p. 10a.

Regarding Question 2, Petitioner failed to raise in the court below any issue concerning the propriety of applying *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996) to design patents. Again, Petitioner failed to mention *Markman* in either the Statement of the Issues or the Table of Authorities sections of its Federal Circuit brief.

The same may be said of Petitioner’s Seventh Amendment argument, Question 3. The Seventh Amendment contention does not appear anywhere in Petitioner’s Statement of the Issues nor is the Seventh Amendment cited as an authority in Petitioner’s Table of Authorities in its opening brief to the Federal Circuit.

These omissions are telling: Petitioner did not raise to the Federal Circuit the questions now presented to this Court and the Federal Circuit did not decide them. Accordingly, the case is not worthy of review by this Court as Petitioner’s questions were neither raised to nor resolved by the Federal

Circuit.² *California v. Taylor*, 353 U.S. 553, 557 n.2 (1957) (refusing to consider issues not advanced to Court of Appeals).

Because Petitioner did not raise these issues of patent law to the Federal Circuit, which, accordingly, did not decide them, the questions have not been preserved for review by this Court.

II. BECAUSE THE FEDERAL CIRCUIT'S DECISION IS UNPUBLISHED, IT LACKS PRECEDENTIAL VALUE AND, THEREFORE, DOES NOT PRESENT AN IMPORTANT ISSUE OF PATENT LAW.

Petitioner complains of the Federal Circuit's resolution of its claim for patent infringement. However, the Federal Circuit disposed of this case in an unpublished decision issued under Federal Circuit Rule 47.6(b) as indicated in the upper legend on the first page of the Federal Circuit's opinion.³ See *Hartco*, 142 Fed. Appx. 455. Federal Circuit Rule 47.6(b) states that "[a]n opinion . . . which is designated as not to be cited as precedent is one unanimously determined by the panel issuing it as not adding significantly to the body of law. Any opinion . . . so designated must not be employed or cited as precedent. . . ." Whatever value the Federal Circuit's *Hartco* opinion and judgment might have to the parties to this proceeding, the opinion is of no precedential value to the patent bar or the public by operation of Federal Circuit Rule 47.6(b).

2. Petitioner also did not advance the issues in the Questions Presented to the District Court.

3. In the Petition's Appendix B (p. 3a), the Local Rule 47.6(b) legend has been omitted.

The Federal Circuit has exclusive appellate jurisdiction over decisions from district courts in patent litigation. 28 U.S.C. § 1295(a)(1). Here, by virtue of Federal Circuit Rule 47.6(b), the Federal Circuit opinion has no precedential value to patent cases in the district courts or the Federal Circuit, the only appellate court in which such a decision might be of any use. Assuming *arguendo* that the Federal Circuit erred, its error is confined to these parties. Accordingly, the Petition does not present an important issue of patent law worthy of this Court's review and consumption of its limited resources.

III. THE PETITION PRESENTS NO PERSUASIVE ARGUMENTS FOR GRANTING REVIEW.

The Petition should also be denied because it raises no genuine questions of federal law concerning the Federal Circuit's decision. The present controversy represents a limited dispute over the application of settled design patent law to a particular set of facts.

A. The Decision of the Federal Circuit Does not Conflict with Any Decision of This Court.

One basis stated in Supreme Court Rule 10(c) for grant of a Petition is that the court of appeals has decided an important question of federal law in a way that conflicts with relevant decisions of this Court. Petitioner argues that the Federal Circuit action below conflicts with this Court's holding in *Gorham Co. v. White*. This contention is unfounded.

The seminal *Gorham* case resolved a controversy over infringement of a design patent to a silver flatware pattern. Numerous experts had testified to the overall similarity of

the two accused designs to the patented design, despite differences in minute design details. Quite telling was the testimony that the designs could not be readily distinguished from short distances, or at first appearance, and that the accused design appeared to have been intended to appear the same to an ordinary purchaser, but not to a design expert. *Gorham*, 81 U.S. at 523-24. The court of appeals had held that, as with utility patents, the accused and patented designs must be compared by experts, with careful attention to minute details.

In reversing, *Gorham* established one simple proposition: the determination of design patent infringement is to be made from the perspective of an ordinary observer, such as a prospective purchaser, and not that of a design expert who examines the design carefully and applies specialized design expertise. *Gorham*, 81 U.S. at 528. The *Gorham* Court's conclusion was that substantial sameness would be established by such an ordinary observer if the observer would be induced to purchase one design thinking that it was the other design. What the *Gorham* Court did not say was "thinking that it embodied the same design concept" or "thinking that it was created by the same hand." And that is the crux of the present controversy.

In the case at bar, the Federal Circuit decision cited this Court's holding in *Gorham* as part of its determination that:

The designs do not have to be identical to an accused device to be protected, *see OddzOn*, 122 F.3d at 1405, but Hartco's patented design is limited to the design it claimed with the three blades and the four circular features. Appellants'

four-blade product has a substantially different overall ornamental appearance from the claimed three-bladed product.

Petition Appendix p. 10a.

The Federal Circuit applied the *Gorham* test to compare the ornamental features of the accused design to the '194 Patent design, and concluded that the designs were clearly distinguishable, and that no substantial evidence existed from which a reasonable jury could conclude that they were substantially the same.

1. The Federal Circuit Jurisprudence of Design Patents Follows Well-Established Patent Law.

Petitioner argues the Federal Circuit has “gutted” this Court’s holding in *Gorham* by a series of decisions over approximately two decades that allegedly narrow the formerly broad scope of design patent protection. However, it is clear that the Federal Circuit continues to apply the *Gorham* holding and has simply addressed a number of issues that arise as inevitable consequences of construing a patent having a single claim directed to the ornamental features of the depicted design.

The first case to elicit the Petitioner’s ire is *In re Mann*, 861 F.2d 1581 (Fed. Cir. 1988). In discussing design changes, the *Mann* court held that in the context of a design patent a changed design constitutes a new and different design, because the scope of a claimed design is limited to what is shown and described in the patent drawings. This holding is the inevitable consequence of construing a single claim to a

depicted design. A design patent claim cannot have broad scope because the single claim must have a definite scope as required by the patent statutes, and the scope is limited to the design as presented in the drawings. Any range of interpretation in the determination of infringement is limited to the substantially similar/ordinary observer test as articulated by *Gorham*, or the equivalent “colorable imitation” test. *Goodyear Tire & Rubber Co. v. Hercules Tire & Rubber Co.*, 162 F.3d 1113 (Fed. Cir. 1998).

Further, Petitioner complains of *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571 (Fed. Cir. 1995), which extended this Court’s ruling in *Markman* to design patents. Petitioner states that the combination of the holdings of *Elmer* and *In re Mann* has virtually eliminated the possibility of a finding of design patent infringement, reasoning:

Rather than comparing the accused product to the patented design through the eye of the ordinary observer to determine substantial sameness of the “general appearance and effect” as taught by *Gorham*, adherence to *Elmer* requires the district courts to recast the governing patent drawings into words – often long presentations – that may or may not allow the reader to accurately visualize the patented design.

Petition p.14.

It is appropriate to charge the trial court with verbally construing a design patent claim for a number of reasons. At this point, it is sufficient to say that Petitioner’s argument vastly overstates the issue. Nothing in the *Elmer* decision eliminates a comparison between the design patent

drawings and the accused design. *Elmer* explicitly incorporated *Gorham*'s "ordinary observer" test into the test for infringement of a design patent. The *Elmer* Court clearly stated that:

[T]he claim as properly construed must be compared to the accused design to determine whether there has been infringement . . . In this second step, the patented and accused designs are compared for overall visual similarity.

Elmer, 67 F.3d at 1577 [citing *Gorham*]. Thus, the *Elmer* Court did not substitute the verbal claim construction for the patent drawings in the comparison step. Rather, the verbal claim construction is provided as an aid to guide the fact-finder's differentiation between novel, ornamental (and thus protectable) features of the design and old, functional, unprotectable features. In fact, the Federal Circuit utilized the '194 Patent drawings in its considerations in the case at bar:

Under the ordinary observer test, "[o]ne must compare the ornamental features of the patented design, as shown in all of the drawings, to the features of the alleged infringing product visible at anytime during normal use of the product." *Contessa*, 282 F.3d at 1380.

Petition Appendix p. 9a.

Petitioner's conflict argument is clearly misplaced. The Federal Circuit continues to apply the *Gorham* rule, albeit with a result in this case Petitioner does not like.

2. The Federal Circuit Correctly Held That no Substantial Evidence Existed to Support a Verdict of Design Patent Infringement.

In this case, the Federal Circuit was presented with a jury verdict of design patent infringement rendered upon flawed instructions (*see infra*). The Federal Circuit applied the law as stated in *Gorham* to a set of uncontested facts, and simply held that no substantial evidence existed to support a jury verdict of design patent infringement of a properly construed claim. The court held:

We agree with the district court's depiction of the drawings of the '194 patent as showing a hitchcover "with three blades" attached to a tongue "having four circular features" that are visible. Only these ornamental aspects of Hartco's patented hitchcover design, not the broader, general hitchcover concept that merely mimics a propeller, are protected. *See OddzOn*, 122 F.3d at 1405; *see also Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 104 (Fed. Cir. 1996). Therefore, Hartco's design patent does not cover any hitchcover shaped as a propeller with any number of blades, regardless of its ornamental features. *See OddzOn*, 122 F.3d at 1400. Specifically, the inclusion of blades, a nose, and a tongue are part of the general propeller concept and not protected ornamental aspects independent of their unique configuration. *See Durling*, 101 F.3d at 104. Instead, only the number and shape of the blades, as well as the four circular features, are ornamental aspects, subject to patent protection. Hartco chose to include these features in its design application

and limited the scope of its patent claim to that design, see *Elmer*, 67 F.3d at 1577.

Following claim construction, determining patent infringement next requires comparison of the patented and accused designs overall. *Contessa Food Prods. Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1376 (Fed. Cir. 2002); *Elmer*, 67 F.3d at 1577. "Comparison to the accused product includes two distinct tests, both of which must be satisfied in order to find infringement: (a) the 'ordinary observer' test, and (b) the 'point of novelty' test." *Contessa*, 282 F.3d at 1377; *Unidynamics Corp. v. Automatic Prods. Int'l, Ltd.*, 157 F.3d 1311, 1323 (Fed. Cir. 1998); *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 528 (1871). The two tests are separate, with the "point of novelty" test requiring proof that the accused device infringes the novel aspects of patented design as distinct from the prior art. *Contessa*, 282 F.3d at 1377; *Litton Sys., Inc. v. Whirlpool Corp.*, 728 F.2d 1423, 1444 (Fed. Cir. 1984). Under the ordinary observer test, "[o]ne must compare the ornamental features of the patented design, as shown in all of the drawings, to the features of the alleged infringing product visible at anytime during normal use of the product." *Contessa*, 282 F.3d at 1380.

Comparing the two designs, we disagree with the district court that the jury verdict of design patent infringement was supported by substantial evidence. The designs do not have to be identical to an accused device to be protected, see *OddzOn*,

122 F.3d at 1405, but Hartco's patented design is limited to the design it claimed with the three-blades and four circular features. Appellants' four-blade product has a substantially different overall ornamental appearance from the claimed three-blade product. See *Elmer*, 67 F.3d at 1577-78. As no reasonable jury could have concluded that the overall visual appearance of the claimed design is substantially similar to the accused design, we do not need to employ the point of novelty test. See *KeyStone Retaining Wall Sys.*, 997 F.2d at 1451. We thus reverse the district court's denial of judgment of noninfringement as a matter of law, together with the award of damages for design patent infringement.

Petition Appendix pp. 8a - 10a.

As is apparent to everyone but Petitioner, the two designs are readily distinguishable by an ordinary observer, even upon the most casual inspection. The Federal Circuit, therefore, simply stated the obvious: no ordinary observer could mistake four blades for three, or the lack of ornamental circular features for their presence. As the Federal Circuit observed, virtually every other element in the '194 Patent design was either functional or was inherent in the propeller concept, and thus not protectable in a patent to a single ornamental design.

As both the trial court and the Federal Circuit stated, the four circular features in the tongue portion of the design are an ornamental part of the design, and they are utterly lacking in the accused device. Petitioner argues that the circular features are simply artifacts of the molding process, but it is

also clear under the law that there are no unimportant features in a claimed design. "A design is a unitary thing and all of its portions are material in that they contribute to the appearance which constitutes the design." *In re Blum*, 374 F.2d 904, 907 (C.C.P.A. 1967). The simple response to Petitioner's argument was stated by the Federal Circuit:

Hartco chose to include these features in its design application and limited the scope of its patent claim to that design, see *Elmer*, 67 F.3d at 1577.

Petition Appendix p. 9a.

Further, accepting Petitioner's argument that the circular features are not part of the protected design would negate the long-standing requirement that the patent prosecution history is used to interpret the scope of a patent claim. The patent application that resulted in the '194 Patent was originally submitted with a set of informal drawings. In the first Office Action, the Examiner suggested that formal inked drawings were desirable. When the applicant submitted a set of proposed inked drawings to replace the informal drawings, the Examiner objected to the new drawings and noted that "the four circular features located in the interior corners of the hitchcover must be enlarged to match their relative size as shown in as-filed Fig. 3." The applicant submitted new formal drawings to correct the objections, and the '194 Patent was allowed to issue. Thus, to attempt to recast these design features as mere artifacts of the production process ignores the process whereby the '194 Patent was granted.

B. The Application of *Markman v. Westview Instruments* to Design Patent Claim Construction is Necessary to Properly Instruct the Jury and to Create a Complete Record for Appellate Review.

Petitioner argues, again for the first time, that the extension of this Court's holding in *Markman v. Westview Instruments*⁴ to design patents somehow negates the holding in *Gorham* that infringement is judged on the overall appearance and effect of the patented design. As will be seen, the extension of *Markman* to design patent claim construction is an important part of properly instructing the jury in matters of law and creating a complete record to facilitate appellate review.

1. The Construction of a Claim, whether from a Utility or Design Patent, is a Matter of Law.

As articulated by the Federal Circuit and confirmed by this Court, patent claim construction is a matter of law to be decided by the courts and explained to juries to inform their deliberations and verdicts in matters of patent claim infringement. *Markman*, 517 U.S. at 391. Petitioner does not dispute this point, but instead argues that this Court's holding in *Gorham* should somehow eliminate the application of this settled law to design patent claims.

Petitioner's argument appears based on an erroneous conclusion that *Markman* requires that the jury be presented only with the verbal claim construction, and *Markman*

4. It was not this Court's *Markman* holding that was cited by the *Elmer* court, but rather the underlying Federal Circuit decision. *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995).

eliminates comparison with the design patent drawings. As presented above, this argument misstates the holding in *Elmer* and does not reflect the proceedings in the case at bar, where both the trial court and the Federal Circuit employed the patent drawings and not just the verbal claim construction in their infringement determinations.

Given that it is undisputed that patent claim construction is an issue of law, there is no reason, let alone a compelling one, to preclude the courts from making design patent claim construction determinations and properly instructing juries as to claim scope and their obligations to follow the law.

2. The Trial Judge Is Required to Instruct the Jury in Matters of Law.

Where a design contains both functional and non-functional elements, the scope of the claim must be construed in order to identify the non-functional aspects of the design as shown in the patent. *Lee v. Dayton-Hudson Corp.*, 838 F.2d 1186, 1188 (Fed. Cir. 1988).

In a charge of design patent infringement, it is the plaintiff's obligation to establish that the various features of its patented design are ornamental, rather than functional. *Elmer* 67 F.3d at 1577. Thus, as part of the trial court's obligation to instruct the jury properly in matters of law, *Sulzer Textil A.G. v. Picanol*, 358 F.3d 1356, 1363 (Fed. Cir. 2004), the trial court must articulate an overall description (construction) of the claimed design, and instruct the jury that it is obligated to compare only the ornamental features in common between the claimed design and the accused product.

Given this obligation, the promulgation of a *Markman* verbal claim construction is clearly the appropriate way for the trial court to satisfy its obligations and to ensure that the jury is not misled into thinking that a design patent protects functional aspects of the design or design concepts, rather than the single design as depicted in the drawings.

3. The Trial Court Must Compile a Complete Record in Order to Permit Appellate Review.

Furthermore, one of the tasks of a trial court is to present a complete record of the evidence presented at trial and the legal and factual issues decided, so that an appellate court will be able to respond adequately to assertions of error by aggrieved parties. In the case of design patent infringement determinations, absent a *Markman* verbal claim construction by the trial court, the record would contain nothing to guide the appellate court in reviewing the verdict, because a record of the "finding of fact" by the jury would simply consist of a statement that the two designs are or are not substantially the same in overall appearance and effect. Likewise, no record would exist of what influence the functional or conceptual features *versus* the specific ornamental design features had in informing the jury verdict.

Thus, Petitioner's argument that trial courts should not engage in verbal construction of design patent claims is tantamount to an argument that an appellate court should be given no information other than a jury verdict of infringement *vel non* upon which to base its review.

C. Reversal of a Flawed Jury Verdict Based on Lack of Substantial Evidence Does not Violate Constitutional Protections.

Petitioner further complains that the Federal Circuit's decision violates its Constitutional right to a trial by jury, apparently arguing that because a determination of infringement is an issue of fact and because designs protected by patents are simple to understand, then a jury verdict of design patent infringement should not be overturned on appeal.

Petitioner's argument is wrong on a number of grounds and is simply a further example of its efforts to create a reviewable issue out of its disappointment in losing before the Federal Circuit.

1. The Jury was not Instructed Its Verdict Must Follow the Law.

In pretrial, the trial court issued the following construction of the '194 Patent claim:

An automotive hitchcover having a propeller with three blades attached to a tongue having four circular features in the interior corners of the tongue and a fifth central circular cone feature, all visible on the end remote from the propeller.

Although the trial court made no findings in this regard, the Federal Circuit noted that the design of the '194 Patent consists of both functional elements and non-functional ornamental elements, and also includes aspects that are inherent in the broad concept of a marine propeller used as a

hitchcover. The standard shapes of trailer hitch receivers dictated the external design of the tongue portion of the hitchcover. Very few possible shapes can be adopted and still fit into these standard articles. Thus, the only features of this portion of the '194 Patent design that could be considered ornamental were the four circular features located in the interior corners of the hitchcover tongue. Similarly, the propeller portion of the design is the design concept of a marine propeller and is at least partly functional as well, for a propeller is required in order to impart the spinning motion that is a primary aspect of the use of the hitchcover. In addition, the public would recognize only a limited number of propeller configurations as marine propellers (as distinct from aircraft propellers and the like). Thus, it is the particular appearance of the three-bladed propeller that is non-functional in the '194 Patent design.

In its instruction entitled Description of the Patent, the trial court recited its *Markman* determination. Thereafter, it instructed the Jury that, in order to find infringement, it must find substantial similarity to Petitioner's "design," and proceeded to explain "the devices do not have to be identical." However, the trial court failed to instruct the jury that it was bound by law to apply the "*Markman*" claim construction. By failing to give this instruction, the trial court erred.

The question of whether a jury instruction on an issue of patent law is erroneous is a matter of Federal Circuit law and is reviewed de novo. *Advanced Display Sys., Inc. v. Kent State Univ.*, 212 F.3d 1272, 1282 (Fed. Cir. 2000). A jury verdict will be set aside, based on erroneous jury instructions, if the movant can establish that

“those instructions were legally erroneous,” and that “the errors had prejudicial effect.” *Id.* at 1281.

Sulzer Textil A.G. v. Picanol, 358 F.3d 1356, 1363 (Fed. Cir. 2004).

The jury must be told that the court has made a claim construction ruling that the jury must follow and cannot be left free to apply its own reading of disputed terms to the facts of the case. “An instruction should be given to the jury on every material issue.” . . . Accordingly, we hold that it is the duty of trial courts in patent cases in which claim construction rulings on disputed claim terms are made prior to trial and followed by the parties during the course of the trial to inform jurors both of the court’s claim construction rulings on all disputed claim terms and of the jury’s obligation to adopt and apply the court’s determined meanings of disputed claim terms to the jury’s deliberations of the facts.

Id. at 1366.

In the present case, the trial court failed to instruct the jury that it was bound to follow the Court’s *Markman* claim construction, allowing the jury free reign in comparing the accused device to Petitioner’s product, as seen in the Jury Interrogatories. As a result, the jury failed to understand the legal issues of design patent claim construction and infringement. In particular, the jury did not understand fully which elements of the ‘194 Patent design were protected. As a result, the jury afforded too much importance to similarities between the unprotected elements of the ‘194

Patent design and Respondents' product, and the jury failed to recognize the significance of the substantial differences in the protected elements (three blades, circular features), all to the obvious prejudice to the Respondents. This error alone was sufficient to mandate a reversal of the jury verdict of patent infringement.

2. The Jury Instructions for Finding Design Patent Infringement Were Flawed.

The Federal Circuit has made it abundantly clear that a finding of design patent infringement must be based on a comparison between the claim of the design patent drawings, as construed by the Judge, and the accused product. *Sun Hill Industries, Inc. v. Easter Unlimited, Inc.*, 48 F.3d 1193, 1196-97 (Fed. Cir. 1995). Comparisons between the parties' respective devices are only proper where the patentee's design has no significant design differences from the physical embodiment. *Lee v. Dayton-Hudson Corp.*, 838 F.2d 1186, 1189 (Fed. Cir. 1988).

However, as noted above, in its instruction entitled Description of the Patent, the trial court recited its *Markman* determination and instructed the Jury that, to find infringement, it must find substantial similarity to Petitioner's "design." By itself, this instruction was ambiguous, however, in its Jury Interrogatories, the trial court asked if the jury found "the Wang's/Pilot device [to be] substantially similar to or a colorable imitation of the Hartco device" [emphasis added], and thus violated the clear directive from the Federal Circuit as to the manner in which infringement is to be judged. The comparison made by the jury in the case at bar then necessarily included features common to the respective products, such as the chrome plating of the propeller and the

black coloring of the tapered nose cone, which are not part of the design claimed in the '194 Patent.

This is the jury verdict that Petitioner would have set in stone and insulated from review by the Federal Circuit. As a result of this and other erroneous instructions, the jury failed to understand the legal issues of design patent claim infringement, to the obvious prejudice of the Respondents. This error alone was sufficient to mandate a reversal of the jury verdict of patent infringement. The Federal Circuit took note of the numerous objections urged by Respondents, among other points on appeal, but in light of its finding of non-infringement, it was not compelled to resolve them. Petition Appendix p.10a, n.2.

Thus, it is readily apparent why Petitioner wishes the jury verdict to be insulated from effective review. It was only due to erroneous jury instructions that Petitioner was able to achieve its favorable verdict from the jury.

CONCLUSION

For the foregoing reasons, the Petition for Writ of *Certiorari* to the United States Court of Appeals for the Federal Circuit should be denied.

Respectfully submitted,

JAMES C. WESEMAN
LAW OFFICES OF
JAMES C. WESEMAN, APC
First National Bank Center
401 West A Street
Suite 1600
San Diego, CA 92101
(619) 531-0950

ANDREW P. BURNSIDE
Counsel of Record
PIERRE V. MILLER II
PATRICK, MILLER, BURNSIDE
& BELLEAU, LLC
400 Poydras Street
Suite 1680
New Orleans, LA 70130
(504) 527-5400

Attorneys for Respondents

(3)

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**In the
Supreme Court of the United States**

HARTCO ENGINEERING, INC.,

Petitioner,

v.

WANG'S INTERNATIONAL, INC., PILOT AUTOMOTIVE, INC.,
PEP BOYS - MANNY, MOE & JACK, INC.,
AND OVERTON'S, INC.

Respondents.

**On Petition for a Writ of Certiorari to the
United States Court of Appeals for the Federal Circuit**

PETITIONER'S REPLY BRIEF

JACK M. ALLTMONT

Counsel of Record

SESSIONS, FISHMAN & NATHAN, LLP

201 ST. CHARLES AVENUE

SUITE 3500

NEW ORLEANS, LA 70170

(504) 582-1500

Counsel for Petitioner

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PETITIONER'S REPLY BRIEF

Hartco Engineering, Inc. ("Hartco") hereby responds to the Brief in Opposition filed by Wang's International, Inc., *et al.* ("Wang's").

I. Wang's Contention That the "Questions Presented" Were Not Raised Below Is Both Wrong and Illogical.

From inception, the substance of Hartco's patent case has always been that Wang's device is substantially the same as and a colorable imitation of Hartco's design, *i.e.*, patent infringement under *Gorham Co. v. White*. Responding to Wang's appeal, Hartco's position in the Federal Circuit was that the jury and trial judge found on overwhelming evidence that Wang's product breached the *Gorham* standard and that the Federal Circuit should respect that finding.

Hartco takes exactly the same position in its writ application, but obviously the posture of the case changed when the Federal Circuit rendered its decision reversing the jury and the trial court on the patent infringement claim. Hence, in its writ application, Hartco addresses itself to the action taken by the Federal Circuit. The "Questions Presented" respond to the Federal Circuit decision. Those issues could not have been stated as such until the Federal Circuit rendered its decision.

In effect, Wang's position is that Hartco was required to have complained in advance about the color of the chicken before the chicken was hatched. That position obviously makes no sense.

The cases cited by Wang's are not applicable because in each, the writ applicant could have, but did not, raise the discrete issue in the lower court. Such is not the case here.

Moreover, see *Capital Cities Cable, Inc. v. Crisp*, 467 U.S. 691, 698-99, 104 S.Ct. 2694 (1984) (issue not decided below considered on writ where arising from federal court and the substantive issues and relevant facts were treated below). Such is here the case.

II. Wang's Position That, Because the Federal Circuit Did Not Publish its Decision, This Court May Not Consider a Writ Application, Is Clearly Wrong.

In *Commissioner of Internal Revenue v. McCoy*, 484 U.S. 3, 6, 108 S.Ct. 217, 219 (1987), this Court stated:

[T]he fact that the Court of Appeals' order under challenge here is unpublished carries no weight in our decision to review the case. The Court of Appeals exceeded its jurisdiction regardless of nonpublication and regardless of any assumed lack of precedential effect of a ruling that is unpublished.

Certiorari is therefore granted....

That rule applies here.

The Federal Circuit is the sole intermediate appellate court on patent cases. Hence, the patent bar and the lower courts study with great care all Federal Circuit patent opinions, whether published or unpublished. Those decisions, whether published or unpublished, influence district court decisions nationwide and critically impact development of patent law and adjudication of patent cases.

In the case at bar, the Federal Circuit substituted its judgment for that of the jury and the trial court on the pivotal factual issue – – substantial sameness in the eyes of the ordinary purchaser. That issue, substantial sameness in the eye of the ordinary purchaser, is the issue in every design patent case. If the Federal Circuit decision on this case stands, that decision teaches that the jury role in design patent cases is really nonexistent. The Federal Circuit's decision to not publish that opinion cannot shield from review such an important decision of wide applicability.

III. Contrary to Wang's Protestations, the Writ Application Presents Issues of Compelling Importance and Wide Application in Patent Law.

Part III of Wang's brief essentially makes three arguments, *to wit*: (1) that the Federal Circuit decision purportedly does not conflict with *Gorham*, (2) that, under *Markman*, the Federal Circuit may legitimately take from the jury the fact issue of "substantial sameness" and doing so does not violate the Seventh Amendment, and (3) the jury instructions were flawed.

Hartco will respond briefly to each of those themes:

A. While citing *Gorham* as the governing rule, the Federal Circuit has clearly abandoned the essence of the *Gorham* rule both as to scope of design-patent protection and as to the jury's role.

Coupling the *Mann* dogma that design patents have "almost no scope" with *Markman* claim verbalization which focuses on individual features rather than *Gorham*'s focus on

“general appearance and effect,” the Federal Circuit has eroded *Gorham* protection to virtually nothing.

Certainly four blades is different than three blades. Given its current jurisprudence and philosophy, the Federal Circuit effectively ends the discussion at that point – – four is different from three, therefore Hartco loses.¹ But under *Gorham*, the ultimate factual issue is not whether there is a

¹ Wang’s brief (at pp 13-14) also attempts to bolster the Federal Circuit decision by reference to “the four circular features in the tongue portion of the design.”

Wang’s says “petitioner [Hartco] argues that the circular features are simply artifacts of the molding process.” In truth, it is Mr. Wang who concedes that these “circular features” are merely a residue of the molding process, not visible when the device is in place and they are not ornamental in any respect. (Transcript, pp. 269-271); *also*: Hartco Writ Application at 42a).

As to Wang’s argument that these features are ornamental because required by the Patent Office, again Wang’s ignores the sole evidence on that point. The patent examiner simply stated regarding the drawings “correction for consistency is required.... [I]n Fig. 3, the four circular features located in the interior corners of the hitch cover must be enlarged to match their relative size as shown in as-filed Fig. 3.” That is the only Patent Office reference to these so-called “features.” (Defense Exh. “File History” of “194 Patent, Federal Circuit appendix 0393, attached hereto as 1b).

That such a non-consequential reference to “circular features” is made in the patent file does not make those “features” material, particularly when the patent file itself shows the complete immateriality of the reference. *See: Warner-Jenkinson Co. v. Hilton-Davis Chemical Co.*, 520 U.S. 17, 33, 117 S.Ct. 1040, 1051 (1997).

difference, but whether the difference is substantial in the eye of the ordinary purchaser. Moreover, under *Gorham*, this is a jury issue.

There is no real “substantial evidence” issue in this case. All of the evidence at trial showed actual confusion in the marketplace with retailers unknowingly substituting Wang’s product for Hartco’s and even using Hartco’s advertising literature to sell Wang’s product. There was no lack of substantial evidence to prove Hartco’s case. Plainly and simply, the Federal Circuit disagreed with the six “ordinary purchasers” on the jury and substituted the Federal Circuit’s factual determination for that of the jury. Having done so, the Federal Circuit’s decision clearly conflicts with *Gorham*.

B. If, as it does, the Seventh Amendment preserves the right of trial by jury in a design-patent case, then the question of “substantial sameness in the eyes of the ordinary purchaser” is clearly a jury issue. There was no legitimate basis for the Federal Circuit to have taken that issue from the jury and thereby deprive Hartco of its Seventh Amendment right.

In its brief, Wang’s states that this case presents “a set of uncontested facts.”² As to the underlying objective facts, Hartco agrees. The uncontested material facts presented by Hartco and not disputed by Wang’s are:

² Wang’s Brief in Opposition, pg. 11.

1. Wang's copied the Hartco design, product and packaging as closely as Wang's could but simply adding a fourth blade to create an argument for non-infringement.
2. Wang's product directly competed with Hartco's product and took numerous customers directly from Hartco.
3. Wang's product caused confusion in the marketplace with some retailers unknowingly substituting the Wang's product for the Hartco product and even using Hartco's literature to sell the Wang's product.

The only really contested issue is whether the undeniable similarity between Wang's product and Hartco's design constituted a substantial difference in the eyes of the ordinary purchaser or whether, as stated, in *Gorham*, the fourth blade was merely a "minor difference in detail ... not noticed by ordinary observers" and added merely to avoid "condemnation as an infringement."³ In sum, the issue is whether "substantial sameness in the eye of the ordinary purchaser" is a jury issue or a legal issue. It is clearly not a "lack of substantial evidence" issue (as erroneously characterized by the Federal Circuit) because the evidence presented by Hartco was not only substantial, but uncontested.

We respectfully submit that if the Seventh Amendment is to have any meaning in a design-patent case, then "substantial sameness ..." is of necessity a jury issue on which Hartco unequivocally prevailed.

³ *Gorham*, 81 U.S. at 528.

Conceptually, we might conclude that there are two general categories of fact finding:

1. *Objective fact finding* -- Was the traffic light red or green? Was the defendant the masked man who robbed the bank?
2. *Subjective or evaluative fact-finding* -- Did the defendant exercise reasonable care? Did the defendant have specific intent to cause death or great bodily harm? Was the product reasonably fit for its intended purpose? Was the Wang's product substantially the same as Hartco's "in the eye of an ordinary observer, giving such attention as a purchaser usually gives" to such matter.

The Seventh Amendment entrusts both objective fact finding and evaluative fact finding to the jury. "Substantial sameness in the eye of the ordinary observer" is really the only central liability fact issue in every design-patent case. The Seventh Amendment clearly mandates referral of that issue to the jury.⁴

C. The jury instructions properly presented to the jury the applicable law, the trial court's *Markman* construction, and a correct statement of the jury's function.

The jury instructions included verbatim the *Markman* construction requested by Wang's. The trial judge correctly instructed the jury in the *Gorham* rule and its function in

⁴ For further discussion as to why this type of issue must go to the jury, please see Hartco's original brief at pp. 23-28.

determining whether or not there was substantial sameness in the eye of the ordinary observer.

Wang's complains that the trial judge did not specifically tell the jury that it was legally required to follow the court's *Markman* construction. In other words, according to Wang's, since the trial judge described Wang's product as having four blades, the trial judge should have instructed the jury that anything other than four-blade propeller could not be an infringement. Wang's is clearly wrong. If *Gorham's* "substantial sameness" rule is to have any life, then the proper procedure is exactly what Judge Lemelle did in this case. The trial judge verbalizes a construction and he then leaves it up to the jury to determine whether there is substantial sameness in the eyes of the ordinary observer.

As to the jury interrogatory, Wang's now complains that the interrogatory referred to Hartco's device as opposed to Hartco's design. But the record is clear that Wang's made no such complaint during the jury charge conference or at any time prior to submission to the jury.⁵ Wang's cannot now complain about a point that it did not even raise at trial.

⁵ The relevant part of the jury charge conference is as follows:

The Court: Defendant, jury form.

Mr. Weseman: The only point I have is in jury interrogatory No. 1, the validity of a patent is actually a distinct question from the enforceability of the patent. And so, I would prefer that we add after valid, and enforceable.

The Court: I think that is inherent, I think it covers it.
What else?

Mr. Weseman: That's it for us, Your Honor.

Transcript, pg. 392.

Moreover, as Wang's concedes in its brief, "comparisons between the parties' respective devices are ... proper where the patentee's design has no significant design differences from the physical embodiment."⁶ Also: *Braun, Inc. v. Dynamics Corp. of America*, 975 F.2d 815, 821 (Fed. Cir. 1992):

Nothing in *Gorham* suggests that, in finding design patent infringement, a trier of fact may not as a matter of law rely exclusively or primarily on a visual comparison of the patented design, as well as the device that embodies the design, and the accused device's design.

CONCLUSION

Hartco respectfully prays that its writ application be granted.

Respectfully submitted,

Sessions, Fishman & Nathan, LLP
Jack M. Alltmont

Counsel of Record
(Louisiana Bar #2424)
201 St. Charles Avenue, Suite 3500
New Orleans, Louisiana 70170
Telephone: (504) 582-1500

⁶ Wang's Brief, pg. 21.

APPENDIX

[p.2]

Serial Number: 29/061031

Art Unit: 2913

Examiner's Amendment

1. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it **MUST** be submitted no later than the payment of the issue fee.

Drawings

2. The drawing disclosure meets the requirements of 37 CFR § 1.84; however, the drawings are objected to as follows. Correction for consistency is required. See attached red marked drawings.

a. In Fig. 3, the outer rim as seen in Figs. 4-5 is not shown. Also in Fig. 3, the four circular features located in the interior corners of the hitch cover must be enlarged to match their relative size as shown in as-filed Fig. 3.

b. Figs. 4-5 show the outer rim of the hitch cover insert to be squared, rather than rounded as shown in the as-filed drawings.

c. New formal drawings are now required. Care should be exercised to avoid introduction of new matter (35 U.S.C. 132; 37 CFR 1.121).

Specification

3. For proper form (37 CFR 1.153), the claim has been amended to delete the word, [A] and to insert in its place the term: -- The ornamental --

Conclusion

4. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Examiner Rob Spear, whose telephone number is (703) 305-3056. The examiner can normally be reached Monday-Friday from 6:30 AM - 3:00 PM (EST). If attempts to reach the examiner are unsuccessful, the examiner's supervisor, James Gandy, may be reached at (703) 305-3264. The fax numbers for this group are (703) 305-....